

**NOMINATION HEARING:  
STEPHEN CENSKY TO BE DEPUTY  
SECRETARY OF AGRICULTURE,  
AND TED MCKINNEY TO BE UNDER  
SECRETARY OF AGRICULTURE  
FOR TRADE AND FOREIGN AGRICULTURAL  
AFFAIRS**

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**HEARING**  
BEFORE THE  
COMMITTEE ON AGRICULTURE,  
NUTRITION, AND FORESTRY  
UNITED STATES SENATE

ONE HUNDRED FIFTEENTH CONGRESS  
FIRST SESSION

—————  
SEPTEMBER 19, 2017  
—————

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**NOMINATION HEARING:  
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AFFAIRS**

**Tuesday, September 19, 2017**

UNITED STATES SENATE,  
COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY,  
*Washington, DC*

The Committee met, pursuant to notice, at 9:44 a.m., in Room SH-216, Hart Senate Office Building, Hon. Pat Roberts, Chairman of the Committee, presiding.

Present: Senators Roberts, Boozman, Ernst, Grassley, Thune, Stabenow, Brown, Klobuchar, Bennet, Gillibrand, Donnelly, Heitkamp, Casey, and Van Hollen.

**STATEMENT OF HON. PAT ROBERTS, U.S. SENATOR FROM THE  
STATE OF KANSAS, CHAIRMAN, U.S. COMMITTEE ON AGRICULTURE,  
NUTRITION, AND FORESTRY**

Chairman ROBERTS. I call this hearing of the Senate Agriculture, Nutrition, and Forestry Committee to order. I welcome my colleagues this morning as we consider the nominations of Stephen Censky, to be the Deputy Secretary of Agriculture, and Ted McKinney, to be the Under Secretary of Agriculture for Trade and Foreign Agricultural Affairs.

The U.S. Department of Agriculture is made up of 29 agencies and offices. It employs nearly 100,000 men and women who work in all 50 States and all around the globe. The Department provides leadership on food, agriculture, natural resources, rural development, nutrition, scientific research, and related issues that impact Americans each and every day.

Secretary Perdue and his team have hit the ground running to keep the Department working on behalf of the Nation's farmers, ranchers, and other rural stakeholders. We need to get his team officially on board. The Secretary is with us this morning. Mr. Secretary, if you would stand for a moment, I would appreciate it. Thank you for the job that you are doing.

[Applause.]

Chairman ROBERTS. Now, the Deputy Secretary of Agriculture is the second-highest-ranking official at the U.S. Department of Agri-

culture appointed by the President with the advice and consent of the Senate. More importantly, he becomes the Acting Secretary if the Secretary is unable to perform the duties of his office. That is not going to happen.

The position also coordinates day-to-day operations within the Department and efforts across agencies. The Deputy Secretary is tasked with implementing the departmental mission of fostering strong rural communities and creating new agriculture markets. The Deputy Secretary receives input from outside the agency and stays up-to-date on issues and trends in the agriculture arena.

The nominee for this role, Steve Censky, grew up on a soybean, corn, and diversified livestock farm near Jackson, Minnesota. I am sorry. I think probably I will turn that over to the distinguished Senator from Minnesota.

[Laughter.]

Senator KLOBUCHAR. Go ahead.

Chairman ROBERTS. No, please. I insist.

Senator KLOBUCHAR. We are just always happy to have a Minnesotan in a position of such importance, so thank you, Mr. Chairman.

Chairman ROBERTS. I will get into the details after that introduction, and I thank the Senator.

He began his career working as a legislative assistant for Senator Jim Abdnor. Later, Steve served at the U.S. Department of Agriculture during both the Reagan and the Bush administrations. More recently, he has served as the American Soybean Association's chief executive officer. Steve and his wife, Carmen, reside in suburban St. Louis, have two daughters who are in college.

Steve, we welcome you to the Ag Committee.

The position of Under Secretary for Trade and Foreign Agricultural Affairs was established by this Committee with strong bipartisan support in the 2014 farm bill. It is designed to provide singular focus on trade at the Department and to foster more effective coordination of trade policies all across our USDA agencies. In addition, it will bring high-level representation to key trade negotiations, foreign officials, and within the Executive Branch.

Secretary Perdue moved quickly during his first month at the Department to follow the direction of the Congress and establish this important position. The new Trade and Foreign Agricultural Affairs mission area will include the Foreign Agricultural Service, which deals with international markets, and the U.S. Codex Office, which is part of an interagency and international partnership that develops international governmental and nongovernmental food standards.

If confirmed, Ted McKinney would be the first person to officially lead this mission, and his background offers a range of experience for him to do exactly that job. He grew up on a family grain and livestock farm in Tipton, Indiana. He is currently the Director of the Indiana State Department of Agriculture. Previously, Ted has worked with Dow AgroSciences and with Elanco.

I am going to yield to the distinguished Senator from Indiana for any remarks he might want to make at this particular time.

**STATEMENT OF HON. JOE DONNELLY, U.S. SENATOR FROM  
THE STATE OF INDIANA**

Senator DONNELLY. Thank you, Mr. Chairman. I would like to quickly welcome to the Committee my friend, Ted McKinney, and his whole family. Ted and I have gotten to know each other really well over the past years, and I have enjoyed being partners advocating on behalf of Hoosier farmers with Ted.

As you indicated, Ted comes from a farm in Tipton, Indiana, and has strong roots in agriculture. He is a hard worker. He is dedicated to agriculture. He is going to do a terrific job in this position and work really, really hard to help American farmers all over the world.

So to the family, thank you for your sacrifice and lending Ted to us during this time. To Ted, thanks for your service. We have a lot of work for you to do, my friend.

Thank you, Mr. Chairman.

Chairman ROBERTS. Good luck with the dentist.

Senator DONNELLY. Thank you.

Chairman ROBERTS. All of this gives Ted firsthand knowledge of potential trade issues in the row crop as well as the livestock sectors. He and his wife, Julie, have three children and four grandchildren. Welcome to the Ag Committee, sir.

Earlier this year, the Committee moved to confirm Secretary Perdue in a strong bipartisan fashion, and we have successfully moved several nominations to the Commodity Futures Trading Commission. We look forward to considering these nominations in the same fashion. Today is an important step in that process. Again, I thank the nominees for being here today. I look forward to your testimony.

I now turn to my colleague Ranking Member Stabenow for her opening remarks.

**STATEMENT OF HON. DEBBIE STABENOW, U.S. SENATOR  
FROM THE STATE OF MICHIGAN**

Senator STABENOW. Thank you very much, Mr. Chairman, and welcome, Secretary. We are happy to have you with us at any meeting. I am really pleased that we are here to consider two very important USDA nominees, as the Chairman has indicated. I would like to congratulate Mr. Censky and Mr. McKinney and welcome your families here today.

USDA must be a forceful advocate for our farmers and ranchers. I know you share that feeling. USDA also plays a role in protecting our land and water, standing up for our small towns and rural communities, and ensuring that all families have enough nutritious food to eat.

We need strong leaders who understand the vital role USDA plays in the lives of every American. In Michigan, agriculture is our second largest industry. It is supporting one in four jobs, and we are very proud of that.

The farmers, families, and rural communities in my State deserve to have experienced and impartial leaders who will always have their back.

Mr. Censky and Mr. McKinney, both of you have had distinguished careers in agriculture. It is clear that you share a deep-

rooted commitment to our farmers and those who call rural America home.

Mr. Censky, you have held an impressive tenure at the American Soybean Association as a strong advocate and leader for one of our country's top crops. Your reputation as a steady hand will be especially useful as our farmers struggle with low prices and USDA faces tight budgets and a daunting reorganization.

Communities in Michigan and across the country deserve a high level of service from the USDA, and we look forward to working with you to ensure that it continues.

The Deputy Secretary traditionally serves as the Chief Operating Officer of the USDA. In this role you will need to ensure that none of the Department's diverse roles or critical missions are forgotten. This responsibility is one of the most important and likely the most challenging. I hope you will consider this Committee a partner in that task.

Mr. McKinney, you are no stranger to agriculture either, serving as the Director of the Indiana State Department of Agriculture. As a neighbor to Michigan, you know that agriculture is critical to both of our States economics. You also know that our farmers need consistent access to markets abroad in order to sell their products.

As the administration reexamines our trade agreements, producers in my State are concerned that agriculture could lose important trading partners. For example, as we have talked about, Canada and Mexico import many Michigan-grown commodities, including corn, soybeans, dairy, and apples. If confirmed, Mr. McKinney, it is important that you be a strong advocate for agriculture within the administration broadly. It is vitally important that any NAFTA reorganization first "does no harm" to Michigan agriculture and our farmers and ranchers across the country. If the administration chooses to reexamine other trade agreements, your voice will be essential in making sure that agriculture is not left behind.

I also want to underscore the important role that both of you will play in the budget process, and the appropriations process as well. In President Trump's first budget proposal, the administration recommended completely eliminating funding for many important programs, including areas that the Under Secretary of Trade would oversee. The budget would eliminate agricultural export programs, which support hundreds of thousands of jobs on and off the farm. Many of these jobs are in Michigan.

If confirmed, it is vitally important that both of you advocate for our farmers and families and fight back against any proposed additional cuts.

I am sure you both share my frustration that crucial leadership positions at the Department have been vacant since the beginning of the year. During the Trump administration we have seen historic delays in receiving nominees from the White House. I am glad to see that USDA nominations are beginning to trickle in, but there is still a long way to go.

Mr. Chairman, I was pleased to work with you to quickly confirm our new Agriculture Secretary, Sonny Perdue, after he was finally nominated. But he cannot singlehandedly run the Department, which is why we are here today to give him support. Our farmers



and our families desperately need a fully functioning USDA, and USDA needs qualified leadership to carry out its duties.

So, Mr. Chairman, I look forward to working with you, as we have continued to do on a bipartisan basis, to move qualified nominees through the process as quickly as possible and give the Secretary his full team.

Thank you.

Chairman ROBERTS. I thank the Senator.

I now welcome our panel of nominees this morning, but before that, I see that both nominees have numerous family and friends in the audience to share in this special occasion. Let me welcome all of you to the Ag Committee, if you would stand, and thank you for being here. Please.

[Applause.]

Chairman ROBERTS. Good-looking families.

For our first nominee, I do now turn to Senator Thune, and as Chair I take unique leeway in recognizing Coop to introduce Steve Censky. I might add that only Senator Thune and I know what "Coop" means.

Senator STABENOW. I actually know, too.

Chairman ROBERTS. You actually know, too?

[Laughter.]

Chairman ROBERTS. Would you like to share that knowledge?

Senator STABENOW. No.

Chairman ROBERTS. Coop?

**STATEMENT OF HON. JOHN THUNE, U.S. SENATOR FROM THE STATE OF SOUTH DAKOTA**

Senator THUNE. Thank you, Mr. Chairman, and for the longest time, only you knew what that meant. But you have explained to me now.

Chairman ROBERTS. It was Gary Cooper. I know half the audience does not even know who Gary Cooper is, but that is beside the point.

Senator THUNE. It was before my time, too.

[Laughter.]

Senator THUNE. But I understand—

Chairman ROBERTS. You did not have to add that.

[Laughter.]

Senator THUNE. I understand I should be flattered, so I am. But, Mr. Chairman and Ranking Member Stabenow, I want to say that it is with great pleasure that I get to introduce to you and to this Committee Steve Censky, who is nominated for the number two position, Deputy Secretary, at USDA. I know that my colleague Senator Klobuchar will claim him because he is a Minnesotan, but like so many people from western Minnesota, he saw the value of an education from South Dakota State University.

[Laughter.]

Senator THUNE. Go Jackrabbits.

But Steve and I go back to the mid-1980s when we both served on the staff of South Dakota Senator Jim Abdnor, and I am sure that more than 30 years ago, as staff in the U.S. Senate, we would not have imagined that we would both be here again today and both very engaged in U.S. agricultural policy. But I will tell mem-

bers of the Committee that Steve and I sat across from each other in our Senate office, and I always watched with great interest how he handled what was a very difficult economic time in agriculture, a time of great crisis, with great patience, diplomacy, empathy, and knowledge, and helped shape policies that made agriculture at that time more survivable for our farmers and ranchers in South Dakota and across the country. That was a difficult time, and these are difficult times on the farm, Mr. Chairman, and so in my opinion, Steve could not be a better choice for Deputy Secretary at USDA as his entire background has been focused on so many diverse areas of the agriculture industry.

Growing up on a farm in southwestern Minnesota, Steve later graduated from South Dakota State University, as I mentioned, with a general agriculture and animal science degree, received a postgraduate degree from the University of Melbourne. He is no stranger to USDA as he has served at the Ag Marketing Service, the International Affairs and Commodity Programs Under Secretary Office, and as Foreign Agricultural Service Administrator. Most recently, as has been mentioned, Steve has served as the CEO of the American Soybean Association beginning in 1996 to the present.

Mr. Chairman, my comfort level in not only writing the next farm bill but in that farm bill being successfully implemented by USDA is much greater with Steve partnering with Secretary Perdue in leadership at USDA. Sonny Perdue in just a few months as USDA Secretary has proven that he has the leadership skills to face the challenges of today's agriculture, and with Steve Censky at his side, USDA will be even more prepared to provide this Committee with the assistance we need in writing the next farm bill, as well as covering the broad scope of research, trade, and regulatory issues facing U.S. agriculture.

Mr. Chairman, I am very proud today to not only introduce but to strongly support Steve Censky as the next Deputy Secretary of USDA. Agriculture has not just been Steve's profession. It has been his passion and way of life from his childhood on, and I can think of no one better to work at this level of USDA for the farmers and ranchers of this country and to help me support my home State of South Dakota's number one industry—agriculture.

Mr. Chairman, I yield back, and thank you.

Chairman ROBERTS. I thank the Senator.

For our other nominee, we have heard from Senator Donnelly with regards to Ted McKinney, but I would like to indicate that he is currently Director of the Indiana State Department of Agriculture, serving from 2014 to the present under then-Governor Mike Pence and now Governor Eric Holcomb. Mr. McKinney grew up on a family grain and livestock farm in Tipton, Indiana. He also worked for 19 years with Dow AgroSciences and 14 years with Elanco, a subsidiary of Eli Lilly and Company, where he was director of global corporate affairs. His industry and civic involvements include the National FFA Conventions Local Organizing Committee, Indiana State Fair Commission, International Food Information Council, the U.S. Meat Export Federation, International Federation of Animal Health, and the Purdue Dean of Agriculture Advisory Committee. Mr. McKinney is a graduate of Purdue Uni-

versity, where he earned a B.S. in agricultural economics, home of the Fighting Boilermakers. Mr. McKinney and his wife have three children and four grandchildren.

As is the tradition and custom of the Committee for nominees and witnesses who are to provide testimony, I need to administer the oath. If both of you could please stand and raise your right hand. First, do you swear that the testimony you are about to present is the truth, the whole truth, and nothing but the truth, so help you God?

Mr. CENSKY. I do.

Mr. MCKINNEY. I do.

Chairman ROBERTS. Second, do you agree, if confirmed, you will appear before any duly constituted committee of Congress if asked to appear?

Mr. CENSKY. I do.

Mr. MCKINNEY. I do.

Chairman ROBERTS. Thank you. We look forward to your testimony. Stephen?

**TESTIMONY OF STEPHEN L. CENSKY, OF MISSOURI, TO BE  
DEPUTY SECRETARY OF AGRICULTURE**

Mr. CENSKY. Mr. Chairman and members of the Committee, thank you very much for this opportunity to appear before you today as the President's nominee to be Deputy Secretary of Agriculture. I am deeply humbled by this opportunity to make a positive difference for rural America.

I also want to thank my former colleague from Senator Jim Abdnor's office—and now your colleague—Senator John Thune for that very kind introduction. Senator Abdnor taught both John and me the value that public service can have to positively impact our Nation.

With me today is my wife of 25 years and my best friend, Carmen, along with my daughters Abigail and Emma. They are my biggest champions and sources of sound advice, so thank you very much for your support.

I would also like to recognize my sister and her husband, my mother-and father-in-law, and my sister-in-law and niece who always give me love and support. Finally, I would like to acknowledge friends, colleagues, and American Soybean Association leaders, and also recognize Secretary Perdue. What a nice surprise and treat it is, and it really shows great support to have you here, Mr. Secretary. So thank you very much. As they might say in Sonny Perdue's neck of the woods rather than mine, I appreciate "all y'all's" support.

[Laughter.]

Mr. CENSKY. I am proud to say that I was born on a farm near Jackson, Minnesota. My father, Harry, was a farmer. He grew soybeans, corn, and alfalfa, and like many farms of the era, also had a small diversified livestock operation. My mother, Gladys, worked as a reporter for the local newspaper and always took the greatest joy in writing stories about rural life. My sister, Jolene, and I grew up doing chores every day and entering all manner of projects in both 4-H and FFA. My mom in particular was a strong Democrat, and although she might be a bit chagrined that I continue to work

in Republican administrations, I know that both my parents are looking down and smiling today.

In fact, the bipartisan approach that this Committee has taken to the issues facing farmers, ranchers, and consumers is something about which all of you should feel very proud. As a leader of the American Soybean Association for the last 23 years, we too worked on a bipartisan basis, and I saw the value that approach has. If confirmed, you have my commitment to be open and responsive to all points of view.

As has been mentioned, after my time with Senator Abdnor, I worked in the Reagan administration as assistant to the Administrator of the Agriculture Marketing Service. Then in the George H.W. Bush administration, I served as the assistant to the Under Secretary of International Affairs and Commodity Programs. In that capacity I assisted in managing our farm and trade programs.

We also coordinated the administration's proposals for the 1990 farm bill. Secretary Perdue has already pledged to make the resources of the Department available to assist Congress as you write and then pass the 2018 farm bill, and I look forward to assisting Secretary Perdue and all of you in that important work.

I later served as Associate Administrator and then Acting Administrator of the Foreign Agricultural Service, again, in the George H.W. Bush administration. There I managed and directed that agency's export programs and involvement in trade negotiations. I know that farmers and ranchers absolutely depend on trade in order to be profitable.

Like you have already seen from Secretary Perdue over these past number of months, I promise to be a strong advocate for fair trade for America's farmers and ranchers.

I have been asked whether there are any specific goals that I would like to advance if confirmed. At the risk of omitting other worthy goals, I have identified three areas that I think are very important to current but, perhaps more importantly, future generations.

One, diversification of markets. This includes expanding foreign trade and promotion of local and regional food markets. In addition, diversification of crops through research, extension, and crop insurance coverage.

Two, preparation for and adaption to changing weather and climate. Our agricultural production systems and forests truly are on the front line of impact by changes in weather and climate. I believe USDA has an inherent responsibility to help our farmers, ranchers, and forests become more resilient.

Three, expansion of broadband to rural America. Broadband can be transformative. From precision agriculture that allows our farmers to farm more sustainably to promotion of rural development and jobs, America's rural areas need broadband.

Mr. Chairman and members of the Committee, thank you for your consideration of my nomination to be Deputy Secretary of Agriculture. I look forward to answering any questions you may have.

[The prepared statement of Mr. Censky can be found on page 22 in the appendix.]

Chairman ROBERTS. I thank you for your very timely comments.  
Mr. McKinney.

**TESTIMONY OF TED MCKINNEY, OF INDIANA, TO BE UNDER SECRETARY OF AGRICULTURE FOR TRADE AND FOREIGN AGRICULTURAL AFFAIRS**

Mr. MCKINNEY. Thank you, Mr. Chairman and Ranking Member Stabenow. It is an honor and a pleasure to be here, and I want to thank all members of the Senate Ag, Nutrition, and Forestry Committee for the time here today. I too want to thank the President and Secretary Perdue for this nomination and for your presence here today, Mr. Secretary. This is an honor, and thank you.

I am also honored to be apparently the first to be nominated for this remade or this newly made position that you all created in the 2014 farm bill as Under Secretary for Trade and Foreign Agricultural Affairs.

I know he had to depart, but I also want to say thank you publicly to my very good friend Senator Joe Donnelly. He is a great friend. We have collaborated on numerous activities, and I am just very grateful for his support.

Before I proceed, I too would like to introduce my family. I know there was the introduction, but just a little bit more, if you do not mind.

First, off to my left and your right is my wife of 35 years, Julie. Julie just retired in June of this year after 19 years as a second grade school teacher, so she has done God's work as far as I am concerned.

Then our son, Brad, and his wife, Kristie, who live nearby in Falls Church; daughter Brooke from just north of Cincinnati, her husband and brood of three are remaining home; and then our daughter Caroline, from Indianapolis. So love you all. Thank you all for being here. We would have had the grandchildren, but three of them are under age 4, and it would have created perhaps some havoc.

I suspect many of you know a little bit about me, but I would like to extract just a few things that I think are most relevant to this newly created position.

First, my roots are absolutely then and still are with the farm in north-central Indiana. It has been there for six generations, and two of the farms are now century-plus farms. My twin brother and his wife, and my mom and dad, each age 85, continue to manage and grow a diversified farm. Now, it is an "I" State, so, yes, there is plenty of soy, corn, occasionally wheat and livestock. But over the last 40 years, we have continued to add to that with value-added operations like seed sales, seed production, custom spraying, and now Precision Planting technologies. So my formative years were there, and they still are.

As I grew up, not unlike you, I was very active and still am today with 4-H and FFA. I was a 10-year 4-H member, a State FFA officer. Then after going to Purdue for 4 wonderful years, graduating in ag econ, I joined, as you said, Mr. Chairman, the Ag Division of Eli Lilly and Company where I spent 28 years in the plant science world with seeds, crop protection products, more recently biotechnology traits. It was a wonderful, wonderful experience.

The last thing on my business bucket list was to lead a global corporate affairs group, and so I moved on back to Elanco—there were some transitions—and led the global corporate affairs group

for Elanco for 4 wonderful years. So the bottom line there is 28 wonderful years with one leg steeped in plant science, seeds, and crops, and then 4 wonderful years steeped in livestock, and I think that has helped me. In all of those jobs, there was a great deal of interface on international markets and trade missions and all things exports.

In early 2014, then-Governor Pence invited me to join the Department of Agriculture to lead as its director, and what a trip it has been. I think relative to this new opportunity that I am being considered for is that it opened up a lot more of the interface with USDA, from programs like MAP and FMD funding, to trade missions, to all kinds of policy discussions. So it was very valuable to have the private sector experience, but, oh, my, it was also great to have had 4 good years in the public sector where I continue now.

I would add one other thing that I think is very germane to this new opportunity. It was about 2-1/2 years ago that Governor Pence asked if I would lead the ag economic development for the State, so that means growing existing businesses and recruiting some from other places. It has been a boon. We have grown substantially our agribusiness sector, and so I hope that has some direct relevance to this opportunity.

Now, as for this new opportunity, I want you to know that I have read and I believe entirely in the mission of the Foreign Ag Service. I will read it: "To link U.S. agriculture to the world to enhance export opportunities and global food security." Whoever wrote that I think got it right on. I agree with it. I anticipate investing significant time in many foreign countries, building trust, opening doors for farmers and processors, removing trade barriers, and otherwise being what I hope to be known as a high trust and high delivery person of our ag portfolio.

I want to make a comment about one area I think is very, very important. Not unlike you, I have experienced firsthand the issues of nonscientific trade barriers. Many times, but not always, those are sanitary-phytosanitary issues. Too often, we play by the rules, but many foreign countries do not. So however we might have tackled that with all our friends in the other agencies that have a stake in international relations, I believe this is one we have got to take on. There cannot be a double standard.

Finally, I will just say that as to where we might place our priorities, a question that many of you asked as we met one on one, well, we have many countries that we have got to pay attention to, and all are very critical to our farmers and our processors, particularly in these times of relatively low commodity prices. I will just say I think you always finish what you start, so I think NAFTA has to be right at the fore. But right on its heels, dare I say even simultaneously, are all the other very critical trade partners that we have around the world.

In conclusion, I offer three important points, at least to me, and I think I want to share them with you.

First, I have to applaud again this Committee for creating this stand-alone position that we are now seeing come to fruition and Secretary Perdue for making it happen. I believe in it, and I have said so even times prior to this. It is important and it is time for our farmers.

Secondly, I promise the very best of teamwork, not only within USDA, with my long-time friend Deputy Secretary Nominee Censky, Secretary Perdue, and those who might come along, but also with this Committee and other constituencies.

Third, American agriculture will have my undivided attention and passion. I will be a happy warrior to chase these exports, grow our trust, and build those relations.

Thank you all for this time. I am honored to be with you today.

[The prepared statement of Mr. McKinney can be found on page 28 in the appendix.]

Chairman ROBERTS. We now turn to questions of the witnesses.

Mr. Censky, as you know, current farm bill programs expire at the end of 2018. We have held numerous farm bill hearings and had comments from across rural America. The distinguished Ranking Member has done so as well. We had hearings in Kansas and Michigan. I personally went to Montana and to Alabama. The number one issue of concern—well, there are two: one is crop insurance, the other is trade.

So my question to you is: Can I have your commitment to work with the Committee to craft a farm bill that maintains the farm safety net without cutting crop insurance? Your answer is yes.

[Laughter.]

Mr. CENSKY. Yes, Mr. Chairman.

Chairman ROBERTS. Thank you.

Mr. CENSKY. We look forward to working with you, and clearly, as you have stated so well, my experience in talking to farmers across the country is that crop insurance is really the most important element of their risk management program, and so I very much look forward to working with the Committee and the administration to make sure that we have an effective and viable crop insurance program.

Chairman ROBERTS. You have extensive knowledge of the tough times, and I hope everybody in this Committee room understands that we are in a rough patch with regards to what all of our producers in agriculture are facing. What do you see as the greatest challenge facing the Department? There is an add-on here. With that in mind, how do you plan on helping to convey those challenges to the White House, more especially Congress, and other Federal agencies?

Mr. CENSKY. I do think that we have the best agriculture in the world. We have the best producers. We have innovative companies that are assisting. We have the diversity of agriculture production systems. But I think our challenge is always going to be on finding those new market opportunities, whether those are at home or abroad. I see that as one of the big roles as the Department. Mr. McKinney, if confirmed, is going to be a lead advocate in assisting in that. I look forward to assisting Secretary Perdue in that and making sure that we have diverse markets across the programs for all of our products.

Chairman ROBERTS. I appreciate that.

Mr. McKinney, the U.S. Trade Representative, the Department of Commerce, and the newly created National Trade Council are all contributing to decisions made on U.S. trade policy. As the top trade voice now at the Department of Agriculture—I know you

have described yourself as a “happy warrior,” and I agree with that—how will you work with other Federal agencies that hold responsibilities over U.S. trade functions? How do you plan to ensure that agriculture is strongly represented in international trade policy?

Mr. MCKINNEY. Sure, thank you. That is a very good question. The first thing I would say is get it right at home, so I am going to work with future, hopefully approved Deputy Secretary Censky and Secretary Perdue to make sure we have our talking points, our house in order. But to your point about teamwork, all my life I have practiced teamwork. In the private sector I have managed sideways far, far more than I have up or down to subordinates or superiors. I think the same skill sets will apply as we work with the many, many partners. You mentioned USTR, State, Commerce, and others. I think that is just what we are going to have to do.

I think there is something that comes with the position you have created, a stand-alone Under Secretary for Trade, and I hope that gets us something. I hope it gets us a lot, that they will look first to us. But I think we have to earn that trust, and that is what I intend to do with a passion.

Chairman ROBERTS. As we progress in a renegotiation—I am happy to use that word instead of “termination”—with regards to NAFTA, the agricultural industry has made it clear the number one priority is to “do no harm”. NAFTA has widely been viewed as successful for agriculture in all three countries, and Canada and Mexico are two of the top three markets for U.S. agricultural products. What do you view as the appropriate measure of “doing no harm” to agriculture when in NAFTA or other existing agreements like the Free Trade Agreement with Korea or the Pacific Rim countries? I hasten to add that the words “renegotiate,” “modernization,” “improve,” “fix” are better descriptions, I think, as opposed to “terminate.”

Mr. MCKINNEY. Is that directed at me, Mr. Chairman?

Chairman ROBERTS. Yes. Sorry.

Mr. MCKINNEY. Absolutely. Well, for sure, do no harm in my view means we sustain the baseline. I will not be satisfied with that. You said yourself that we are facing a tough patch in terms of many of our commodities, and my goal is to lift those up ever higher. So I think do no harm, as I interpret it, would be to hold that baseline and look for opportunities for growth across all of our American ag sector.

Chairman ROBERTS. Senator Stabenow.

Senator STABENOW. Thank you, Mr. Chairman. Welcome again.

First, let me just reiterate what we know. We have received over 500 farm, conservation, nutrition, and rural development groups, including the American Soybean Association, and we are so grateful, Mr. Censky, for your leadership there, arguing against any cuts to the farm bill, certainly including crop insurance. I want to reiterate again that I think the entire agriculture and farm and food community understands what we need to do to move forward on the budget, and I share that as well.

Within the context of that, though, you and I have had the opportunity to talk, and certainly the Chairman and I have talked with the Secretary, along with others about the fact that when we



look at the safety net that we created in the 2014 farm bill, there was one area in particular that did not hit the mark, and that is with our dairy farmers. There are other areas we may need to fine-tune, but there are some significant issues with the dairy safety net that we need to fix. We are working on addressing that as quickly as possible. I appreciate the American Farm Bureau, Farmers Union, National Milk, and a whole range of folks that are very, very supportive of this. Specifically, stakeholders want to improve the dairy insurance options by offering insurance as an agricultural commodity and to avoid artificial limits on dairy insurance.

When we look at crop insurance, it is something not available to dairy farmers right now, and I do not see why it should not be. So if confirmed, Mr. Censky, can I count on your support within the Department and the White House to advocate for such an improvement to the safety net for dairy farmers?

Mr. CENSKY. Yes, Senator, thank you. Thanks for the opportunity to meet with you and to discuss this issue. Clearly, we know that the farm bill is important work, and we do know that there are areas that do need to be improved from the last farm bill. Some areas are just going to be tweaked. Some others are in need of some more significant improvements, and the dairy title is one of those. Of course, we are well aware of the concerns of the cotton growers and others as well to address those.

Certainly I look forward to working, if confirmed, with Secretary Perdue and taking a look at those options, working with this Committee and working with Congress to see how we can utilize the Department's programs and the authorities that the Department has to provide a better safety net for our dairy producers, among others.

Senator STABENOW. Thanks very much.

Mr. McKINNEY, we have all said that our farmers and ranchers can compete with anybody as long as there is a level playing field, and I really believe that to be true. Unfortunately, for many of the commodities we produce in Michigan, whether it is dairy, sugar, cherries or asparagus, we have seen trading partners that did not always abide by their commitments. If you are confirmed, how will you work across the Government to make enforcing our trade agreements a priority? How will you press countries that are violating their trade commitments to change their unfair trade practices?

Mr. MCKINNEY. Sure, thank you, Senator Stabenow. That is a very good point, and in my role in Indiana, I too have seen that kind of activity, I would say notably with dairy.

I think the first thing is I am a big believer in the Covey principles, and you seek first to understand. I want to meet with those who are affected to get every different angle, every different potential solution, understand the problem fully. I think I do, but I do not ever want to presume that. After that, I think we sit down with a team, an A team across the different agencies that would interface with these other countries. You mentioned Canada, and so I think clearly USTR, Commerce, State, and others who might have a role in that, and we would like to continue working with you because you have a voice and you have sources of information. But I think we have got to address that.

My sense is that if there is a way we can address that more quickly than not, we should do that. But if we need to have to wait until the NAFTA modernization, we will do that. But we have to address that.

You extended that to other crops, and that is where I think we can get into some specialty crop products which have different unique programs that we can lift up.

Senator STABENOW. Great. Thank you very much. I look forward to working with you on that.

Mr. Censky, I was very impressed with the three goals that you laid out in terms of your position and the Department, and I would underscore and agree with all of those as being incredibly important. But I was heartened to read in your testimony about helping farmers and ranchers and foresters adapt to the changing climate, and I could not agree more. Given that, can you share some more specifics about what programs are working well in helping our producers become more resilient and where we can be doing more? Because they are certainly on the front lines, as we see the intense weather patterns.

Mr. CENSKY. Thank you, Senator, for that question. Absolutely, I do think we do need to utilize all the resources that the Department has to try to help our farmers and ranchers and foresters become resilient. Farmers and ranchers, as you well know, have faced climate and weather variability for thousands of years. I think we can utilize the Department's research programs to understand the trends that are happening, what pests might be emerging, to try to adapt our crops so that they can survive and are better in colder, hotter, wetter, drier climates, and we can utilize our research, our extension, as well as even our crop insurance coverage.

Senator STABENOW. Thanks very much, Mr. Chairman.

Chairman ROBERTS. Senator Ernst.

Senator ERNST. Thank you, Mr. Chair. Gentlemen, thank you for being here today, and congratulations on your nominations.

The agricultural community is going through one of the toughest stretches that we have had since the 1980s, facing historically low commodity prices, battling drought and other natural disasters. In this challenging environment, it is imperative that we have a fully functioning USDA with all of those top positions filled, so thank you very much for coming forward and answering the questions that we have today.

Mr. Censky, I would like to start with you. If confirmed for the role of Deputy Secretary, you will be working on much of the day-to-day operations of the Department, as we discussed in our meeting. One of the complaints I hear from my constituents as I am traveling around Iowa is how Federal agencies will often contradict each other and produce unnecessary regulations that can be confusing and actually impede investment.

You mentioned in your testimony—and Senator Stabenow mentioned this as well—that one of your goals is to remove every obstacle and allow the men and women of America's agriculture to create jobs and prosper. So how do we go about breaking down those barriers between the agencies and make sure that the USDA is working hand in hand with EPA, FDA, so many of those other agencies? What are the priorities there? What agencies would you

start with just to make sure that we are not contradicting each other within those agencies?

Mr. CENSKY. Well, thank you very much, Senator, and thanks for that question and raising that important topic, and thanks for the opportunity to meet with you as well to discuss this and other topics.

I do see the President, as you know, has announced a regulatory reform agenda. USDA is a key part of working as part of the administration's regulatory reform agenda. I look forward, if confirmed, to being down at the Department to assist the Secretary in that important work. I am aware, although I am not on the inside yet, I know from the outside and as I have been briefed, that there really are some good initiatives to try to make sure that our regulations are not standing in the way of farmers and ranchers and job creation by businesses to do what is necessary. I think some of that coordination is as well happening because it is an administration-wide effort. It is not just USDA that is working alone. USDA is working as part of the whole administration's team to take a look across agencies and across departments.

Clearly, working with the Environmental Protection Agency is a key area that we need to do, but there are other agencies as well.

Senator ERNST. Fantastic, and I am glad you mentioned that, too. It is a whole-of-administration effort, not just one department or another. I think with that approach, maybe we will be successful in that area. I truly hope so.

Mr. McKinney, as the first person nominated to perform the important task and new role at USDA, you will set the precedent for how your office collaborates with the U.S. Trade Representative, the President's National Economic Council, and the National Trade Council. You have outlined your priorities quite well. I want to thank you for that. I just want to reiterate how important trade is for agriculture. You have heard it so many times over. You completely understand this. We want to make sure that you always have a seat at the table when we are negotiating trade deals with other countries, whether it is Japan, China, South Korea, et cetera. But I just want to thank you for that. I am really excited about your opportunity and how you will be able to help those within the ag community. So thank you very much for being here today.

Mr. Censky, I do want to ask you one final question here before my time runs out. In your testimony you highlighted the importance of rural broadband technology, which is something that I hear a lot about from my constituents. Not only do they use that technology for precision farming but also for growing jobs in our rural communities. The President's budget request called for cuts to USDA's Office of Rural Development, so I just wanted to get your thoughts on how we strike a balance with a constrained budgetary environment, how do we proceed with some of the goals that we have through rural economic development?

Mr. CENSKY. I agree, you raise a fair point that in any budget and at any time we do have to set priorities, and while I was not involved in developing the current budget proposal, I look forward to working with the Congress and making—if confirmed, implementing the program and the budget as authorized by Congress, but also in developing priorities for future years. Clearly, I think

Secretary Perdue also has stated very clearly that broadband is transformative for rural areas. I could not agree more. I think that USDA does have a major role to play there as the administration develops its infrastructure initiative, and having broadband is part of the infrastructure initiative, as well as through USDA's own programs to make sure that we are doing all we can to promote broadband and make sure that it is there, to do that kind of rural development and job creation that rural America needs.

Senator ERNST. Great. Thank you.

Thank you, Mr. Chair.

Chairman ROBERTS. Senator Klobuchar.

Senator KLOBUCHAR. Thank you, Mr. Chair. I welcome both nominees, and I will note—I know Senator Thune is not here, but I will pass on to him—that there are a few notable people that moved the opposite way, from South Dakota to Minnesota, including someone named Hubert Humphrey. There we go.

[Laughter.]

Senator KLOBUCHAR. You also, Mr. McKinney, I know, spent time outside of Mankato, which is where my husband grew up with five brothers, and so it is exciting to have both of you here, and especially with your knowledge of the Midwest. I am really excited about that, as well as your backgrounds, and I want to thank Secretary Perdue for his wise choices. So thank you very much.

I thought I would start with some of the issues we have been having with avian flu and the like. Maybe I will start with you, Mr. McKinney. You know the issues. You and I discussed some of the trade issues when other countries close down their markets, even in the face of science that shows that the animals that we would like to export are perfectly safe. In 2015, Minnesota lost almost 9 million turkeys as a result of avian flu. Since that time, despite the safety that is clearly there, we have been working to lift the export ban from China.

What do you see as the next steps to officially reopening the Chinese market to U.S. poultry products?

Mr. MCKINNEY. Sure. Well, thank you very much, and I will just say that Julie and I enjoyed immensely our time in Mankato, and that is where our son was born. So love that.

Your question is a very good one, and we experienced not quite the dramatic loss that you did in Minnesota with turkeys, but we had our own bout in southern Indiana. Just two comments.

First, I think we have to acknowledge the quality of the Animal and Plant Health Inspection Service who I think have grown immensely in their quality and their ability to help address these issues. Clearly, it was done in a federalism format with States and Federals working together. But I think that is one of the best ways we address this.

I will go further, though, because your question is how do we address some of the blockages that we are seeing, if I can use that phrase. Well, I think the regionalization concept is one that has worked and is working in several countries where they acknowledge that just because something is happening in one part of the U.S. but is not happening in the other part, that is a reason to completely shut off exports of those products or commodities from

the United States. So I think that gives us more than a toehold to build upon.

I think the rest is we have got to continue to use science and research to show that these—we can manage these diseases, and we have. We can stop them.

Senator KLOBUCHAR. Very good. Thank you very much. Mr. Censky, I will follow up with that a bit with you on the record, not right now, on a bill I am working on to strengthen animal disease prevention.

But I wanted to move on to the renewable fuel standard, very important in my State. Can you talk about the importance of this standard? Will you commit to working with the EPA to ensure that the 2018 RVO targets are forward-looking and reflect the reality of advanced biofuel production?

Mr. MCKINNEY. Thank you, Senator, and I agree that the renewable fuel standard is very important to rural America and to our farmers. It is something that I am familiar with from my past work with the American Soybean Association and the importance there. I think we have heard strong support from the President, from Secretary Perdue, in support of the renewable fuel standard. I look forward, if confirmed, to be there and to be a champion for the appropriate levels there.

Senator KLOBUCHAR. Thank you. Thank you very much. As you know—and we can talk about this more later—we really do appreciate that work as well, but there are some changes that some of us would like to see on those RVO targets. But I appreciate your interest in working with us.

Last question just on exports, trade agreements. Minnesota is the fourth largest ag exporting State in the Nation, accounting for more than one-third of our State's total exports. That is despite the fact that we have 18 Fortune 500 companies that do a little bit of exporting. So it is very important to me. Our primary markets are China, Mexico, Japan, Canada, South Korea, and Taiwan.

Mr. McKinney, could you just talk very briefly, in 30 seconds here, how do you see the importance of access to these export markets?

Mr. MCKINNEY. Certainly. I will make this short and sweet. We have got to continue to have “do no harm” resonate, and I think that it is.

Secondly, beyond that, we have got to lift up these exports, and that is why my intent is to find myself on an airplane seat, go out, build trust, and continue to open markets. I continue to be encouraged. We are moving from 7 to 9 billion people, and the protein demand around the world is rising rather rapidly. So I think we catch that wave, but we have to earn that. I intend to do that.

Senator KLOBUCHAR. Very good. We just discussed China getting more ethanol, which would be great. I also just last want to mention that my mom taught second grade until she was 70 years old, so she may have even stayed a little long. You look a little younger than that.

[Laughter.]

Senator KLOBUCHAR. All right. Thank you very much. I appreciate it.

Chairman ROBERTS. I thank the Senator.

Senator Grassley?

Senator GRASSLEY. I thank Senator Klobuchar for bringing up the issue of biofuels, and I would just associate myself with her remarks, and thanks for your statement on it, the renewable fuel statement.

I want to follow on that a little bit, because in your positions, I am sure some of you are going to be involved in interagency councils. We have so many of them. I assume you are going to be. So on the issue of biofuels, you will probably be having reason to have meetings with the Special Trade Representative, the Commerce Department, the Energy Department, the EPA as an example. For trade, one of the issues we have is with Brazil threatening to or maybe they have already put on import duties on ethanol. I would hope that you could be in a strong position to express to them that we need to fight that very, very hard. I am not asking you to—unless you disagree with me, I am not asking you to comment right now. That would be one place to start.

I hope you all know the importance of E15 because we have reached the point where with E10 we do not have enough petroleum to mix much beyond E10. That is why the exports are very important. But, also, we are going to have a growing corn crop year after year, just like starting 10 years ago there has been a steady upturn in production. That is going to continue. So if we do not move to E15—so you are going to have opportunities within EPA and Energy to urge them not to stand in the way of it. I am sure you all know of the significant weight that the petroleum industry puts on the EPA in the past to curb whatever they can under existing law to stop them from doing that. They have been stopped by the D.C. Circuit Court of Appeals, some things that EPA had done in the past in regard to reducing the amount of renewable fuel standard requirements, that they do not have the authority to do that. So we have the law more on our side now than we did. But the extent to which you can be a spokesman for E15 with these different agencies is very, very important because your job in the Department of Agriculture will be to make the market forces work as much as they can from the standpoint that if we have overproduction, you are going to have lower prices; you are going to have an increase in support for farmers out of the taxpayers, and we ought to have the marketplace and the consumer benefit from that. So I hope that you will do those things.

That is kind of an admonition to you. You can comment on it if you want to. But if you do not want to comment right now, I have got a couple questions. Okay.

I want to ask Mr. McKinney, your position is a critical leadership role as we are in the midst of renegotiating both NAFTA and probably the Korean Free Trade Agreement. I do not think Korea has agreed to that, but we are trying to do that. Outside of the ever changing currency values, what would you say are the top two or three issues facing American exports around the world that you intend to focus on if you are confirmed?

Mr. MCKINNEY. Well, I cited one in my opening remarks, but let me elaborate. I think the nonscientific trade barriers is the largest, broadest description. Sanitary-phytosanitary would be a little bit more specific. I think they have been abused around the world.

There is a double standard. We try very hard in the U.S. to subscribe to the WTO standards or any other standards that have been agreed to, and the reverse is not true, and I think it is time to call that out and address it for what it is and be firm about that. To enact that, it is going to have to be a collaboration across the many, many different agencies that deal with or touch international trade, but I think that is the one.

The other thing that has not been mentioned much is the proposal to move Codex to my Department. I will tell you that I believe firmly we have to stay on solid grounds with science. It cannot be a political issue. That is a science-based issue. But we need a bit more clout to address what I think has been a failure over the last 10 years in the Codex process. You think about the developing countries around the world that rely on Codex as their EPA or FDA or USDA or whatever regulatory agency, and it has become politicized. Ten years ago or more, it was not that way. I think we have got to do our best—and I will have to look into it. I do not understand right now exactly the best way, but we will create a plan to somehow try to restore that on good grounds based on science, not on politics, because we are affecting people's lives around the world.

Those would be two, Mr. Senator.

Senator GRASSLEY. Thank you, and I will yield, Mr. Chairman.

Chairman ROBERTS. Thank you, Senator.

Senator BOOZMAN?

Senator BOOZMAN. Thank you, Mr. Chairman.

Mr. McKinney, agriculture is Arkansas' number one industry and accounts for nearly a quarter of my State's economy. As you know, the farm economy is struggling right now with low commodity prices. One way we can lessen the economic pressure facing our farmers and ranchers is to open up new markets. Cuba represents an important opportunity for American agriculture. Cuba imports 80 percent of the food that it eats, and it is only 90 miles off the U.S. coast. Can you talk a little bit about your thoughts on opening up Cuba to agricultural trade?

Mr. MCKINNEY. Sure. Well, stated in the most general and broadest sense, I believe in free trade wherever it makes sense. I happen to know that there is still some debate on whether we go to Cuba. That is not a decision that I will make. But to the degree that we can work with, if nominated—if confirmed, Deputy Secretary Censky, Secretary Perdue, and all of you, we will pursue that if you will give us that permission.

Senator BOOZMAN. Mr. Censky, Mr. McKinney, since the end of World War II, American food aid programs have saved millions of people from malnourishment and starvation. My State is the largest rice-growing State in the country, and since 2007, over 1 million metric tons of rice have been delivered in the form of global food assistance. This has been a win-win for U.S. farmers and those in need.

Can you all talk a little bit about your views in regard to the importance of U.S. food aid, particularly now? We have several famines going on that, sadly, are man-made in their cause, but are as dire in consequence as any famine going back for many, many years.

Mr. MCKINNEY. I would be delighted to. It is a very good question, and it is one that I feel very personally. As a senior at Purdue University, I was very fortunate to have Dr. Don Paarlberg, who worked under the Eisenhower, Nixon, and Ford administrations, who wrote Public Law 480 as a professor, and that is when I learned the backdrop behind that. I sought to understand, and did.

In my time in the private sector, not once but twice we had a cause, which was hunger, and felt it deeply, felt it very deeply. We have seen hunger, not just the developing world, which oftentimes is cited in photographs, but our neighbors in the Indianapolis area. So I am a deep believer in assistance that we can provide in that manner.

I have not been asked about that. I am not yet confirmed, but I will assure you that, if confirmed, I will raise my voice within the proper channels to see if programs like that have merit. I think they do, and I will advocate for such. At the same time, I understand how to take orders, and you all will have a lot to say about funding and enacting of that. But am I a believer? I am.

Senator BOOZMAN. Mr. Censky?

Mr. CENSKY. I believe Mr. McKinney said it well. I have had the opportunity as well to view through the years, both as the head of the Foreign Agricultural Service and then in my capacity working with the American Soybean Association, and partnering with the USA Rice Federation and other groups, to really see the benefits of these programs and look forward, if confirmed, to working along with Mr. McKinney, with Secretary Perdue, to make sure that we have adequate funding for the programs at appropriate levels, working within the administration, and making sure that we are carrying out the programs at the levels as authorized by Congress.

Senator BOOZMAN. Very good. I thank both of you for being here, and thank you for your willingness to serve.

Thank you, Mr. Chairman.

Chairman ROBERTS. I appreciate that.

That will conclude our hearing today. I thank the nominees for taking time to address this Committee, to answer this Committee's questions. Obviously, both of you have tremendous expertise back in the past. I thought Senator Frank Carlson wrote the P.L. 480 program, assisted by Don Paarlberg, of course.

Today's nominees' testimony provided us significant information and a solid basis upon which to report them favorably out of Committee. Per our rules, we cannot do so today, but we will endeavor to do so in the very near future. I suspect this will be off the floor. To that end, I would request that if my fellow members have any additional questions from the Committee, they be submitted to the Committee clerk by 5 o'clock tomorrow, September 20. We look forward to receiving your responses and to further considering your nominations.

The Committee stands adjourned.

[Whereupon, at 10:47 a.m., the Committee was adjourned.]



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**APPENDIX**  
SEPTEMBER 19, 2017

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**Testimony of Stephen L. Censky  
U.S. Deputy Secretary of Agriculture Nominee  
before the  
United States Senate Committee on Agriculture, Nutrition & Forestry  
September 19, 2017**

Mr. Chairman and Members of the Committee, thank you for this opportunity to appear before you today as the President's nominee to be Deputy Secretary of Agriculture. I want to express my appreciation to the President and to Secretary Perdue for their support and confidence. I am deeply humbled by this opportunity to make a positive difference for rural America, our farmers and ranchers, and all Americans who rely on the bounty, safety, and sustainability of our farms, ranches, and forests.

I also want to thank my former colleague from Senator Jim Abdnor's office – and now your colleague – Senator John Thune for his very kind introduction. Senator Abdnor gave both John and I our starts in public service, taught us the value such service can have to positively impact our Nation, and instilled in us the need to always treat all people with the respect and dignity they deserve. Senator Jim set a high bar through his own life and actions, and it is a code I strive to live by each day.

With me today is my wife of 25 years and best friend, Carmen, along with my daughters Abigail and Emma who both are attending college. They are my biggest champions and sources of sound advice. Often times solicited but even when not! I'd also like to call out my sister and her husband, my mother-in-law and father-in-law, and my sister-in-law and niece who always give me love and strength. Finally, I'd like to recognize family, friends, colleagues as well as current and past American Soybean Association leaders who are either in the room or watching via internet. As they might say more in Sonny Perdue's rather than my neck of the woods, I appreciate "all y'all's" support.

I'm proud to say that I was born and raised on a farm in near Jackson, Minnesota. My dad, Harry, was a farmer. He grew soybeans, corn, and alfalfa. Like many farms of the era, we also had a small diversified livestock operation that included beef cattle, hogs,

sheep, chickens, ducks, and geese. My sister, Jolene, and I grew up doing chores every day, collecting eggs, riding ponies and horses, showing all species of livestock, entering all manners of projects in both 4-H and FFA and, of course, walking soybean fields during the summer to pull weeds. My mother, Gladys, worked as a reporter for the local weekly newspaper and took the greatest joy in writing feature stories about rural life. Both my parents leaned strongly to the Democrat Farmer Labor (DFL) side of the political spectrum, but nevertheless were very proud of my work for farmers and ranchers under Republican Senator Jim Abdnor as well as in the Ronald Reagan and George H.W. Bush Administrations. Although they both have passed, I know they are looking down and smiling today.

With this in mind, I'm glad that agricultural issues usually don't split along strictly party lines. I believe this Committee should be proud of its bipartisan approach on the farm bill, trade, conservation, forestry, global development, food safety and nutrition, and other issues important to our Nation. During the 23 years I've served as a leader of the American Soybean Association, we have also worked on a bipartisan basis. If I am confirmed as Deputy Secretary by this Committee and the Senate, you have my assurance that I will always endeavor to be open and responsive to all points of view.

When Secretary Perdue asked me to be his Deputy at USDA, he told me about a restaurant sign he had seen that he thought had particular meaning for our potential service at the "People's Department." It said, "Feed People and Do the Right Thing." I can't think of a more fitting motto for top leaders of USDA to live by. If confirmed, you have my commitment to work tirelessly with Secretary Perdue, the Administration, your Committee, the Congress, and with stakeholders to "Feed People and Do the Right Thing."

In my teens, I served as Minnesota State 4-H President, and then in college at South Dakota State University, I served as student association vice president. These experiences helped build my leadership skills and taught me the value of service to others. In college, I participated in the National Student Exchange Program and went to

school for a semester at California State University in Chico where, as a farm kid from the Midwest, I thrived on the diversity I encountered there. After graduation from college I participated in the International Four-H Youth Exchange (IFYE) program sponsored by the National 4-H Council, where I lived for nine months in the countryside and taught English to agricultural researchers in the People's Republic of China. I also studied in Australia while on a Rotary International Postgraduate scholarship and received a Postgraduate Diploma in Agricultural Science from the University of Melbourne.

I mention these experiences because I hope they give you a better understanding of my background and the outlook I would bring to the position of Deputy Secretary, if confirmed. These experiences shaped me and gave me an early appreciation of the diversity of agriculture and those who depend on it, as well as for America's leadership role in the world.

I spoke earlier about my service as Legislative Assistant to Senator Abdnor, where I handled agricultural and transportation legislation. I later served in the Reagan Administration as Assistant to Administrator Patrick Boyle at the Agricultural Marketing Service, working on marketing orders, grading programs, and research and promotion programs funded by farmers and industry. Then in the George H.W. Bush Administration, I served as Assistant to the Undersecretary of what then was called International Affairs and Commodity Programs. In that capacity, I assisted Undersecretary Dick Crowder, Deputy Undersecretary John Campbell, and then Deputy Undersecretary Ann Veneman in managing and overseeing USDA's farm, commodity, market development, export assistance, and trade programs. We also coordinated the Administration's proposals for the 1990 Farm Bill, and then worked to implement the final law that was written by Congress. As this Committee works in coming months to draft and pass a 2018 Farm Bill, Secretary Perdue has pledged to make the resources of the Department available to assist Congress, and then to move expeditiously to implement the law passed by Congress. If confirmed, I look forward to assisting Secretary Perdue and you in that important work.

I also served as Associate Administrator and then Acting Administrator of USDA's Foreign Agricultural Service (FAS) in the George H. W. Bush Administration. There I managed and directed that agency's worldwide staff, export assistance and market development programs, international development activities, and involvement in trade negotiations. These experiences at FAS have deeply influenced the rest of my career as I've continued to be highly involved in trade and market development issues. I've spent the last 23 years with the American Soybean Association, the first two as Director of International Marketing, and the last 21 as CEO. With over 60% of the U.S. soybean crop destined for overseas markets, I know that soybean farmers depend on trade in order to be profitable, just as do producers of many, many other crops and livestock products. I have witnessed how trade agreements with other countries have benefited farmers and expanded U.S. exports by a larger percentage than exports to non-partners. I have seen how trade barriers, whether they be tariffs or illegitimate phytosanitary restrictions, can stifle exports, and how the removal of such barriers can spur U.S. exports. You've already seen how Secretary Perdue is a tireless advocate within the Administration for fair trade for America's farmers and ranchers. If confirmed, I, too, promise to be a fierce advocate for U.S. export interests.

As CEO of ASA, I've also had the opportunity to engage on many other issues important to agricultural producers, including crop insurance, farm programs, conservation initiatives, research, biofuels and other bio-based products, biotechnology, crop protection products, agricultural research, and many others. While I don't claim to be an expert on any issue, I believe my familiarity with the range of issues which USDA must address would allow me, if confirmed, to assist Secretary Perdue well and make a positive difference for all the people that USDA serves.

In his testimony before this Committee for his confirmation hearing, then Secretary-designate Perdue laid out his top four goals for the Department and the important constituencies it serves. My job as Deputy Secretary, if confirmed, will be to assist the Secretary in achieving those goals, but I do want to note that I, too, am deeply

passionate about those goals. In short, they are to:

1. Maximize the ability of the men and women of America's agriculture and agribusiness sector to create jobs -- remove every obstacle and give them the opportunity to prosper.
2. Prioritize customer service every day -- conduct the people's business efficiently, effectively, and with utmost integrity.
3. Ensure a safe and secure food supply.
4. Maintain good stewardship of our natural resources -- support private landowners in their conservation efforts, and manage the resources entrusted to the Department, including our National Forests, with a sharp focus on renewability, sustainability and most effective use.

I believe that focus on and achievement of these goals will allow us to serve our current generation well, while also building the foundation for a promising tomorrow for future generations.

In addition to focusing on these overarching goals, I've been asked whether there are more specific, granular goals that I would like to advance and achieve, if I am honored by the Senate to be confirmed as Deputy Secretary. While there are many pressing demands and opportunities, and at the risk of leaving off the list other worthy goals, I've identified the following three areas as immensely critical to current -- but perhaps more importantly -- future generations.

1. **Diversification of Markets.** This includes expanding foreign trade and promoting local and regional food markets for farmers and consumers alike. In addition, diversification of crops through research, extension, and crop insurance coverage.

2. **Preparation for and Adaption to Changing Weather and Climate.** Our agricultural production systems and forests truly are on the front line of impact by changes in weather and climate. I believe USDA has an inherent responsibility to help our farmers, ranchers, and forests become more resilient. USDA's research, conservation, forestry, extension, crop insurance, and other programs all have major roles to play.
  
3. **Expansion of Broadband to Rural America.** Broadband technology can be transformative for agricultural producers and rural communities. From precision agriculture that allows producers to farm more sustainably to promoting rural development and jobs, America's rural areas truly need broadband technology. USDA has a unique role to play within the Administration and through its own programs.

If confirmed, I look forward to working with you, the President and his team, and Secretary Perdue to achieve these and other goals. I want to deliver results for rural America.

Mr. Chairman and Members of the Committee, thank you for this opportunity to appear before you today. And thank you for your consideration of my nomination to be Deputy Secretary of Agriculture. I look forward to answering any questions you might have.

**Testimony of Ted McKinney**  
**U.S. Department of Agriculture Under Secretary of Trade and Foreign Agricultural**  
**Affairs Nominee**  
**before the**  
**United States Senate Committee on Agriculture, Nutrition & Forestry**  
**September 19, 2017**

Thank you, Mr. Chairman and Ranking Member Stabenow, and others of you on this committee that do so much important work for American agriculture. I appreciate the opportunity very much to be here in front of you, and thank the President, Secretary Sonny Perdue, and others for their faith in me to perhaps lead this important agency as USDA Undersecretary for Trade and Foreign Agricultural Affairs.

I also want to thank my long-time friend and fellow Hoosier Senator Joe Donnelly for that very warm introduction and welcome. I am grateful for your support, friendship and collaboration over these many years.

I will add that it has been my pleasure to meet, or in some cases re-meet, many of you in these recent days as we made our way to your offices and learned more about your sense of priorities in this area of food and agricultural trade.

Before I proceed, I would like for you to meet my family, nearly all who are with me here today. They are my rock and have been supportive over these many decades of work in the food and agriculture world, so it is appropriate I begin there. My wife of 35 years – Julie, who just recently retired after 19 years of teaching 2<sup>nd</sup> graders; son Brad and his wife Kristie, who live nearby in Falls Church, Virginia; my eldest daughter Brooke, who lives just north of Cincinnati with her husband and three young children; and finally, daughter Caroline, who resides in Indianapolis. Our grandchildren, three with Brooke and one with Brad and Kristie, are all age 6 or under, and just may have made this meeting too rowdy, so we'll introduce them to you at a later date. I love you all.

I suspect many of you would like to know more about me, my background, and perhaps



what I might bring to USDA and this new and dedicated function that will focus on agricultural trade. First, my roots are on the farm in North Central Indiana, two which are Century Farms, so the family represents six generations in that area. The farms have always been based in corn, soybeans, swine, and occasionally wheat. Over the past four decades the farm brought on value-added operations like seed corn and seed soybean production, seed corn detasseling, custom spraying, seed sales, and now Precision Planting technologies. I'm very proud that my twin brother and his wife, and my Mom and Dad (age 86), continue active involvement in the farms' management and growth. My formative years on the farm were very important and I've tried to look through a farmer's eyes since.

4-H and FFA were also prominent – 10 years in 4-H and service as a State FFA State Officer helped hone my leadership skills as I engaged with various projects and organizations. Thereafter, I attended four years at Purdue University studying agricultural economics, then to industry. I spent 28 years in a number of plant science industry jobs that included sales, product development, product marketing, issue management, communications, government relations, and industry affairs, many of them involving international issues. A jump in 2009 to lead Global Corporate Affairs with Eli Lilly and Company's agriculture division, Elanco, allowed a deep dive into the animal world, again with a great deal of work on international issues and affairs. I'm grateful that since 1981, I've had one leg squarely in the plant sciences and cropping world, and the other squarely in the animal world, both which have brought a great deal to my experience pool

In early 2014, the opportunity to finally do public service, a long-sought goal of mine, became reality when then-Governor Mike Pence invited me to join state government and serve as Director of the Indiana State Department of Agriculture. This job has been quite broadening, and the place where everything comes together. Notable to this job is the interface with many programs and touch points within USDA. These include work with several titles of the Farm Bill, MAP, FMD, Specialty Crop Block Grants, Trade Missions, Policy, and more. In short, it was so valuable to have a career in the private

sector, but also valuable and additive to then spend quality time in the public sector.

The other relevant piece of my current job came when the Governor added to my portfolio the responsibility for Agribusiness Economic Development. Two plus years in, I will share that it has been transformative, and, should I be confirmed, that experience will play well into this new role at USDA representing exports of US food and agriculture.

As for this new opportunity, the mission of the Agency is well stated: *To link U.S. agriculture to the world to enhance export opportunities and global food security.* I agree with that statement, and anticipate investing significant time in other countries -- building trust, opening doors for our farmers and processors, removing trade barriers, and otherwise being a high trust and high delivery person to deliver our product portfolio to other countries.

Not unlike you, I have observed the continued practice by many other countries of non-scientific trade barriers -- many of them sanitary-phytosanitary -- as a means to limit the import of U.S. made products. This is, perhaps, the biggest challenge to science generally, and our ability to export completely specifically. There exists a double standard with many trading partners. Addressing this growing problem will not be easy, but I intend to collaborate with our friends at USTR, Department of State, Commerce, and anyone else involved in trade to find solutions.

In my discussions with many of you, the question of priorities and countries came up frequently. My promise to you is that I will first meet with Secretary Perdue and his team, then quickly establish a priority list, then get going to visit and know them and it is likely that such a priority list already exists. No doubt it will include NAFTA, China, Japan, Korea, Taiwan, EU, Latin America, and others. If confirmed, I look forward to diving into these trade agreements with sister agencies to bring these to fruition as quickly as possible. Our farmers need them resolved.

An addition to this new agency is that of Codex Alimentarius. I am troubled that yet again, the approval of some newer agricultural products or technologies are being politicized and rejected. For years, the consensus-based style of Codex worked well, largely because it was based on scientists' assessment and review of products. We must return to those science-based decision making because products globally, that help developing nations, are being denied. Many countries around the world as it is their approval system as they cannot afford the high quality regulatory system like that in the U.S. So, with the support of our scientists across USDA and government, and with our trade experts involved, I look forward to tackling and helping resolve what has been a very good system until the last decade or so.

In conclusion, I offer these concluding thoughts.

- 1) I applaud the action of the Congress and Secretary Perdue to have this agency stand alone in its focus on trade. It is time, and our farmers and food companies need the focus.
- 2) I promise the very best of teamwork -- within USDA, across the many agencies that are involved with trade, and certainly with this committee and constituencies.
- 3) American agriculture will have my undivided attention and passion to lift up our exports, and sustain or grow our trust with these very important trading partners.

Thank you all for this time, and I am honored to be with you today.



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**DOCUMENTS SUBMITTED FOR THE RECORD**

SEPTEMBER 19, 2017

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## Executive Branch Personnel Public Financial Disclosure Report (OGE Form 278e)

### Filer's Information

**Censky, Stephen Lee**

Deputy Secretary, Department of Agriculture

Other Federal Government Positions Held During the Preceding 12 Months:  
None

Names of Congressional Committees Considering Nomination:

- **Committee on Agriculture, Nutrition, and Forestry**

Electronic Signature - I certify that the statements I have made in this form are true, complete and correct to the best of my knowledge.

/s/ **Censky, Stephen Lee** [electronically signed on 05/05/2017 by **Censky, Stephen Lee** in Integrity.gov]

Agency Ethics Official's Opinion - On the basis of information contained in this report, I conclude that the filer is in compliance with applicable laws and regulations (subject to any comments below).

/s/ **Bender, Stuart**, Certifying Official [electronically signed on 07/20/2017 by **Bender, Stuart** in Integrity.gov]

Other review conducted by

U.S. Office of Government Ethics Certification

/s/ **Apol, David**, Certifying Official [electronically signed on 07/25/2017 by **Apol, David** in Integrity.gov]

1. Filer's Positions Held Outside United States Government

#	ORGANIZATION NAME	CITY, STATE	ORGANIZATION TYPE	POSITION HELD	FROM	TO
1	American Soybean Association	St. Louis, Missouri	Non-Profit	CEO	4/1996	Present

2. Filer's Employment Assets & Income and Retirement Accounts

#	DESCRIPTION	EIF	VALUE	INCOME TYPE	INCOME AMOUNT
1	American Soybean Association			Salary/Bonus	\$443,752
2	American Soybean Association 401(k)	No			
2.1	Principal SAM Strategic Growth R3 Portfolio	Yes	\$500,001 - \$1,000,000		\$15,001 - \$50,000
3	American Soybean Association 457(b)	No			
3.1	Vanguard Federal Money Market Fund Investor Shares VMFXX	Yes	\$1,001 - \$15,000		None (or less than \$201)
3.2	Principal LargeCap Growth II R4 Fund (PPTSX)	Yes	\$15,001 - \$50,000		\$1,001 - \$2,500
4	American Soybean Association defined benefit pension (value not readily ascertainable)			Will receive \$3,338 per month beginning at age 67.	

3. Filer's Employment Agreements and Arrangements

#	EMPLOYER OR PARTY	CITY, STATE	STATUS AND TERMS	DATE
1	American Soybean Association	St. Louis, Missouri	I will continue to participate in this 401(k) defined contribution plan. Neither I nor the plan sponsor will make further contributions after my separation.	7/1994

#	EMPLOYER OR PARTY	CITY, STATE	STATUS AND TERMS	DATE
2	American Soybean Association	St. Louis, Missouri	I will continue to participate in this defined benefit plan.	7/1994
3	American Soybean Association	St. Louis, Missouri	I will continue to participate in this 457(b) defined contribution plan. Neither I nor the plan sponsor will make further contributions after my separation.	10/2010

4. Filer's Sources of Compensation Exceeding \$5,000 in a Year

#	SOURCE NAME	CITY, STATE	BRIEF DESCRIPTION OF DUTIES
1	American Soybean Association	St. Louis, Missouri	Chief Executive Officer

5. Spouse's Employment Assets & Income and Retirement Accounts

#	DESCRIPTION	EIF	VALUE	INCOME TYPE	INCOME AMOUNT
1	Rockwood (Missouri) School District	N/A		salary	

6. Other Assets and Income

#	DESCRIPTION	EIF	VALUE	INCOME TYPE	INCOME AMOUNT
1	Franklin Templeton 529 College Savings Plan (State of NJ) (Child #1)	No			
1.1	Franklin Moderate Alloc Age 17+ Yrs 529 Port. CL A Mutual Fund	Yes	\$1,001 - \$15,000		None (or less than \$201)
1.2	Franklin US Government Money 529 Portfolio CL A Mutual Fund	Yes	\$1,001 - \$15,000		None (or less than \$201)
2	Franklin Templeton 529 College Savings Plan (State of NJ) (Child #2)	No			



#	DESCRIPTION	EIF	VALUE	INCOME TYPE	INCOME AMOUNT
2.1	Franklin Moderate Alloc Age 17+ Yrs 529 Port CL A Mutual Fund	Yes	\$1,001 - \$15,000		None (or less than \$201)
2.2	Franklin US Government Money 529 Portfolio CL A Mutual Fund	Yes	\$1,001 - \$15,000		None (or less than \$201)
3	UTMA Account (Child #2)				
3.1	First Eagle Fund of America Class C Mutual Fund	Yes	\$1,001 - \$15,000		None (or less than \$201)
3.2	Franklin Income Fund Class C Mutual Fund	Yes	\$1,001 - \$15,000		None (or less than \$201)
4	The Hartford Annuities - Director Non-Qualified Variable Annuity	No			
4.1	Hartford Total Return Bond Fund	Yes	\$1,001 - \$15,000		None (or less than \$201)
4.2	Hartford Dividend and Growth HLS Fund	Yes	\$1,001 - \$15,000		None (or less than \$201)
4.3	Hartford Global Growth Fund	Yes	\$1,001 - \$15,000		None (or less than \$201)
4.4	Hartford Stock HLS Fund	Yes	\$1,001 - \$15,000		None (or less than \$201)
4.5	Hartford Capital Appreciation Fund	Yes	\$1,001 - \$15,000		None (or less than \$201)
4.6	Hartford International Opportunities Fund	Yes	\$1,001 - \$15,000		None (or less than \$201)
4.7	Hartford Small Cap Growth Fund	Yes	\$1,001 - \$15,000		None (or less than \$201)
4.8	Hartford Disciplined Equity Fund	Yes	\$1,001 - \$15,000		None (or less than \$201)
5	Sale of Grain (one-time) after family farm sold in 2015			One time sale of grain that remained in grain bins after the 2015 sale of a family farm.	\$6,301

#	DESCRIPTION	EIF	VALUE	INCOME TYPE	INCOME AMOUNT
6	IRA #1	No			
6.1	U.S. Brokerage Account (cash)	N/A	\$1,001 - \$15,000	Interest	\$201 - \$1,000
6.2	Griffin Cap Essential Asset REIT	Yes	\$15,001 - \$50,000		\$1,001 - \$2,500
6.3	Kite RLTY Group TR Com New REIT	Yes	\$15,001 - \$50,000		\$1,001 - \$2,500
7	IRA #2	No			
7.1	U.S. Brokerage Account (cash)	N/A	\$1,001 - \$15,000		None (or less than \$201)
7.2	AMG SOUTHERNSUN U.S. EQUITY FUND CLASS I N/L (SSEX)	Yes	\$1,001 - \$15,000		None (or less than \$201)
7.3	EUROPACIFIC GROWTH FUND CLASS F2 - AMERICAN FUNDS N/L (AEPFX)	Yes	\$15,001 - \$50,000		\$201 - \$1,000
7.4	JPMORGAN MID CAP VALUE FUND CLASS L N/L (FLMXX)	Yes	\$1,001 - \$15,000		None (or less than \$201)
7.5	HARTFORD MIDCAP FUND CLASS I N/L (HFMI)	Yes	\$1,001 - \$15,000		None (or less than \$201)
7.6	JOHN HANCOCK DISCIPLINED VALUE FUND CLASS I N/L (VLIX)	Yes	\$15,001 - \$50,000		\$201 - \$1,000
7.7	JPMORGAN U.S. LARGE CAP CORE PLUS FUND CLASS I N/L (LPSX)	Yes	\$15,001 - \$50,000		None (or less than \$201)
7.8	LAZARD EMERGING MARKETS EQUITY PORT INSTITUTIONAL SHS N/L (LEMX)	Yes	\$1,001 - \$15,000		None (or less than \$201)
7.9	MFS INTERNATIONAL GROWTH FUND CLASS I N/L (MQGIX)	Yes	\$1,001 - \$15,000		None (or less than \$201)
7.10	MFS RESEARCH FUND CLASS A M/F (MFRFX)	Yes	\$15,001 - \$50,000		None (or less than \$201)
7.11	VICTORY TRIVALENT INTL SMALL-CAP FUND CLASS Y N/L (MYSIX)	Yes	\$1,001 - \$15,000		None (or less than \$201)
7.12	VICTORY INTEGRITY SMALL CAP VALUE FUND CLASS Y N/L (VSVIX)	Yes	\$1,001 - \$15,000		None (or less than \$201)

#	DESCRIPTION	EIF	VALUE	INCOME TYPE	INCOME AMOUNT
7.13	AQR MANAGED FUTURES STRATEGY FUND CLASS N/L (AQMNX)	Yes	\$1,001 - \$15,000		None (or less than \$201)
8	IRA (#3)	No			
8.1	INDEXIQ ETF TRUST IQ HEDGE MULTI- STRATEGY TRACKER ETF (QAI)	Yes	\$1,001 - \$15,000		None (or less than \$201)
8.2	ISHARES TR CORE S&P MCP ETF (IJH)	Yes	\$1,001 - \$15,000		None (or less than \$201)
8.3	ISHARES TR CORE MSCI EAFE (IEFA)	Yes	\$1,001 - \$15,000		\$201 - \$1,000
8.4	ISHARES TR CORE S&P SCP ETF (IJR)	Yes	\$1,001 - \$15,000		None (or less than \$201)
8.5	ISHARES INCORPORATED CORE MSCI EMKT (IEMG)	Yes	\$1,001 - \$15,000		None (or less than \$201)
8.6	ISHARES TR GLOBAL REIT ETF (REET)	Yes	\$1,001 - \$15,000		None (or less than \$201)
8.7	VANGUARD INDEX FUNDS S&P 500 ETF SHS NEW (VOO)	Yes	\$15,001 - \$50,000		\$201 - \$1,000
9	US Savings Bonds (Child #1)	N/A	\$1,001 - \$15,000		None (or less than \$201)
10	US Savings Bonds (Child #2)	N/A	\$1,001 - \$15,000		None (or less than \$201)
11	U.S. bank account #1 (checking)	N/A	\$15,001 - \$50,000		None (or less than \$201)
12	U.S. bank account #2 (savings)	N/A	\$1,001 - \$15,000		None (or less than \$201)
13	U.S. bank account #3 (cash)	N/A	\$15,001 - \$50,000	Interest	\$201 - \$1,000
14	U.S. bank account #1 (checking) for Child #2	N/A	\$1,001 - \$15,000		None (or less than \$201)
15	Investment Account #1				
15.1	U.S. Brokerage Account (cash)	N/A	\$1,001 - \$15,000		None (or less than \$201)

#	DESCRIPTION	EIF	VALUE	INCOME TYPE	INCOME AMOUNT
15.2	INDEXIQ ETF TRUST IQ HEDGE MULTI-STRATEGY TRACKER ETF (QAI)	Yes	\$1,001 - \$15,000		None (or less than \$201)
15.3	ISHARES TR RUS 1000 VAL ETF (IWD)	Yes	\$15,001 - \$50,000		\$201 - \$1,000
15.4	ISHARES TR RUS 1000 GRW ETF (IWF)	Yes	\$15,001 - \$50,000		\$201 - \$1,000
15.5	ISHARES TR RUSSELL 2000 ETF (IWM)	Yes	\$15,001 - \$50,000		\$201 - \$1,000
15.6	ISHARES TR CORE MSCI EAFE (IEFA)	Yes	\$15,001 - \$50,000		\$1,001 - \$2,500
15.7	ISHARES INCORPORATED CORE MSCI EMKT (IEMG)	Yes	\$1,001 - \$15,000		None (or less than \$201)
15.8	SPDR DOW JONES REAL ESTATE (RWO)	Yes	\$1,001 - \$15,000		\$201 - \$1,000
15.9	SPDR S&P MIDCAP 400 ETF TRUST (MDY)	Yes	\$15,001 - \$50,000		\$201 - \$1,000
16	Investment Account #2				
16.1	U.S. Brokerage Account (cash)	N/A	\$1,001 - \$15,000		None (or less than \$201)
16.2	INDEXIQ ETF TRUST IQ HEDGE MULTI-STRATEGY TRACKER ETF (QAI)	Yes	\$50,001 - \$100,000		None (or less than \$201)
16.3	ISHARES TR RUS 1000 VAL ETF (IWD)	Yes	\$50,001 - \$100,000		\$1,001 - \$2,500
16.4	ISHARES TR RUS 1000 GRW ETF (IWF)	Yes	\$50,001 - \$100,000		\$201 - \$1,000
16.5	ISHARES TR RUSSELL 2000 ETF (IWM)	Yes	\$15,001 - \$50,000		\$201 - \$1,000
16.6	ISHARES TR CORE MSCI EAFE (IEFA)	Yes	\$100,001 - \$250,000		\$2,501 - \$5,000
16.7	ISHARES INCORPORATED CORE MSCI EMKT (IEMG)	Yes	\$15,001 - \$50,000		\$201 - \$1,000
16.8	SPDR DOW JONES REAL ESTATE (RWO)	Yes	\$15,001 - \$50,000		\$201 - \$1,000

#	DESCRIPTION	EIF	VALUE	INCOME TYPE	INCOME AMOUNT
16.9	SPDR S&P MIDCAP 400 ETF TRUST (MDY)	Yes	\$15,001 - \$50,000		\$201 - \$1,000
17	Hartford 4658 Hartford Frontier 2012 Indexed Universal Life Insurance Policy	Yes	\$15,001 - \$50,000		\$201 - \$1,000
18	Hartford 4658 Hartford Frontier 2012 Indexed Universal Life Insurance Policy	Yes	\$15,001 - \$50,000		None (or less than \$201)

7. Transactions

(N/A) - Not required for this type of report

8. Liabilities

#	CREDITOR NAME	TYPE	AMOUNT	YEAR INCURRED	RATE	TERM
1	Quicken Loans	Mortgage on Personal Residence	\$250,001 - \$500,000	2016	2.99%	15 years

9. Gifts and Travel Reimbursements

(N/A) - Not required for this type of report

Endnotes

## Summary of Contents

### 1. Filer's Positions Held Outside United States Government

Part 1 discloses positions that the filer held at any time during the reporting period (excluding positions with the United States Government). Positions are reportable even if the filer did not receive compensation.

This section does not include the following: (1) positions with religious, social, fraternal, or political organizations; (2) positions solely of an honorary nature; (3) positions held as part of the filer's official duties with the United States Government; (4) mere membership in an organization; and (5) passive investment interests as a limited partner or non-managing member of a limited liability company.

### 2. Filer's Employment Assets & Income and Retirement Accounts

Part 2 discloses the following:

- Sources of earned and other non-investment income of the filer totaling more than \$200 during the reporting period (e.g., salary, fees, partnership share, honoraria, scholarships, and prizes)
- Assets related to the filer's business, employment, or other income-generating activities that (1) ended the reporting period with a value greater than \$1,000 or (2) produced more than \$200 in income during the reporting period (e.g., equity in business or partnership, stock options, retirement plans/accounts and their underlying holdings as appropriate, deferred compensation, and intellectual property, such as book deals and patents)

This section does not include assets or income from United States Government employment or assets that were acquired separately from the filer's business, employment, or other income-generating activities (e.g., assets purchased through a brokerage account). Note: The type of income is not required if the amount of income is \$0 - \$200 or if the asset qualifies as an excepted investment fund (EIF).

### 3. Filer's Employment Agreements and Arrangements

Part 3 discloses agreements or arrangements that the filer had during the reporting period with an employer or former employer (except the United States Government), such as the following:

- Future employment
- Leave of absence
- Continuing payments from an employer, including severance and payments not yet received for previous work (excluding ordinary salary from a current employer)
- Continuing participation in an employee welfare, retirement, or other benefit plan, such as pensions or a deferred compensation plan
- Retention or disposition of employer-awarded equity, sharing in profits or carried interests (e.g., vested and unvested stock options, restricted stock, future share of a company's profits, etc.)

### 4. Filer's Sources of Compensation Exceeding \$5,000 in a Year

Part 4 discloses sources (except the United States Government) that paid more than \$5,000 in a calendar year for the filer's services during any year of the reporting period.

The filer discloses payments both from employers and from any clients to whom the filer personally provided services. The filer discloses a source even if the source made its payment to the filer's employer and not to the filer. The filer does not disclose a client's payment to the filer's employer if the filer did not provide the services for which the client is paying.

#### 5. Spouse's Employment Assets & Income and Retirement Accounts

Part 5 discloses the following:

- Sources of earned income (excluding honoraria) for the filer's spouse totaling more than \$1,000 during the reporting period (e.g., salary, consulting fees, and partnership share)
- Sources of honoraria for the filer's spouse greater than \$200 during the reporting period
- Assets related to the filer's spouse's employment, business activities, other income-generating activities that (1) ended the reporting period with a value greater than \$1,000 or (2) produced more than \$200 in income during the reporting period (e.g., equity in business or partnership, stock options, retirement plans/accounts and their underlying holdings as appropriate, deferred compensation, and intellectual property, such as book deals and patents)

This section does not include assets or income from United States Government employment or assets that were acquired separately from the filer's spouse's business, employment, or other income-generating activities (e.g., assets purchased through a brokerage account). Note: The type of income is not required if the amount of income is \$0 - \$200 or if the asset qualifies as an excepted investment fund (EIF). Amounts of income are not required for a spouse's earned income (excluding honoraria).

#### 6. Other Assets and Income

Part 6 discloses each asset, not already reported, that (1) ended the reporting period with a value greater than \$1,000 or (2) produced more than \$200 in investment income during the reporting period. For purposes of the value and income thresholds, the filer aggregates the filer's interests with those of the filer's spouse and dependent children.

This section does not include the following types of assets: (1) a personal residence (unless it was rented out during the reporting period); (2) income or retirement benefits associated with United States Government employment (e.g., Thrift Savings Plan); and (3) cash accounts (e.g., checking, savings, money market accounts) at a single financial institution with a value of \$5,000 or less (unless more than \$200 of income was produced). Additional exceptions apply. Note: The type of income is not required if the amount of income is \$0 - \$200 or if the asset qualifies as an excepted investment fund (EIF).

#### 7. Transactions

Part 7 discloses purchases, sales, or exchanges of real property or securities in excess of \$1,000 made on behalf of the filer, the filer's spouse or dependent child during reporting period.

This section does not include transactions that concern the following: (1) a personal residence, unless rented out; (2) cash accounts (e.g., checking, savings, CDs, money market accounts) and money market mutual funds; (3) Treasury bills, bonds, and notes; and (4) holdings within a federal Thrift Savings Plan account. Additional exceptions apply.

## 8. Liabilities

Part 8 discloses liabilities over \$10,000 that the filer, the filer's spouse or dependent child owed at any time during the reporting period.

This section does not include the following types of liabilities: (1) mortgages on a personal residence, unless rented out (limitations apply for PAS filers); (2) loans secured by a personal motor vehicle, household furniture, or appliances, unless the loan exceeds the item's purchase price; and (3) revolving charge accounts, such as credit card balances, if the outstanding liability did not exceed \$10,000 at the end of the reporting period. Additional exceptions apply.

## 9. Gifts and Travel Reimbursements

This section discloses:

- Gifts totaling more than \$375 that the filer, the filer's spouse, and dependent children received from any one source during the reporting period.
- Travel reimbursements totaling more than \$375 that the filer, the filer's spouse, and dependent children received from any one source during the reporting period.

For purposes of this section, the filer need not aggregate any gift or travel reimbursement with a value of \$150 or less. Regardless of the value, this section does not include the following items: (1) anything received from relatives; (2) anything received from the United States Government or from the District of Columbia, state, or local governments; (3) bequests and other forms of inheritance; (4) gifts and travel reimbursements given to the filer's agency in connection with the filer's official travel; (5) gifts of hospitality (food, lodging, entertainment) at the donor's residence or personal premises; and (6) anything received by the filer's spouse or dependent children totally independent of their relationship to the filer. Additional exceptions apply.



### Privacy Act Statement

Title I of the Ethics in Government Act of 1978, as amended (the Act), 5 U.S.C. app. § 101 et seq., as amended by the Stop Trading on Congressional Knowledge Act of 2012 (Pub. L. 112-105) (STOCK Act), and 5 C.F.R. Part 2634 of the U. S. Office of Government Ethics regulations require the reporting of this information. The primary use of the information on this report is for review by Government officials to determine compliance with applicable Federal laws and regulations. This report may also be disclosed upon request to any requesting person in accordance with sections 105 and 402(b)(1) of the Act or as otherwise authorized by law. You may inspect applications for public access of your own form upon request. Additional disclosures of the information on this report may be made: (1) to any requesting person, subject to the limitation contained in section 208(d)(1) of title 18, any determination granting an exemption pursuant to sections 208(b)(1) and 208(b)(3) of title 18; (2) to a Federal, State, or local law enforcement agency if the disclosing agency becomes aware of violations or potential violations of law or regulation; (3) to another Federal agency, court or party in a court or Federal administrative proceeding when the Government is a party or in order to comply with a judge-issued subpoena; (4) to a source when necessary to obtain information relevant to a conflict of interest investigation or determination; (5) to the National Archives and Records Administration or the General Services Administration in records management inspections; (6) to the Office of Management and Budget during legislative coordination on private relief legislation; (7) to the Department of Justice or in certain legal proceedings when the disclosing agency, an employee of the disclosing agency, or the United States is a party to litigation or has an interest in the litigation and the use of such records is deemed relevant and necessary to the litigation; (8) to reviewing officials in a new office, department or agency when an employee transfers or is detailed from one covered position to another; (9) to a Member of Congress or a congressional office in response to an inquiry made on behalf of an individual who is the subject of the record; (10) to contractors and other non-Government employees working on a contract, service or assignment for the Federal Government when necessary to accomplish a function related to an OGE Government-wide system of records; and (11) on the OGE Website and to any person, department or agency, any written ethics agreement filed with OGE by an individual nominated by the President to a position requiring Senate confirmation. See also the OGE/GOVT-1 executive branch-wide Privacy Act system of records.

### Public Burden Information

This collection of information is estimated to take an average of three hours per response, including time for reviewing the instructions, gathering the data needed, and completing the form. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Program Counsel, U.S. Office of Government Ethics (OGE), Suite 500, 1201 New York Avenue, NW., Washington, DC 20005-3917.

Pursuant to the Paperwork Reduction Act, as amended, an agency may not conduct or sponsor, and no person is required to respond to, a collection of information unless it displays a currently valid OMB control number (that number, 3209-0001, is displayed here and at the top of the first page of this OGE Form 278e).

July 5, 2017

Mr. Stuart Bender  
Designated Agency Ethics Official  
U.S. Department of Agriculture  
Washington, DC 20250

Dear Mr. Bender:

The purpose of this letter is to describe the steps that I will take to avoid any actual or apparent conflict of interest in the event that I am confirmed for the position of Deputy Secretary, U.S. Department of Agriculture.

As required by 18 U.S.C. § 208(a), I will not participate personally and substantially in any particular matter in which I know that I have a financial interest directly and predictably affected by the matter, or in which I know that a person whose interests are imputed to me has a financial interest directly and predictably affected by the matter, unless I first obtain a written waiver, pursuant to 18 U.S.C. § 208(b)(1), or qualify for a regulatory exemption, pursuant to 18 U.S.C. § 208(b)(2). I understand that the interests of the following persons are imputed to me: any spouse or minor child of mine; any general partner of a partnership in which I am a limited or general partner; any organization in which I serve as officer, director, trustee, general partner or employee; and any person or organization with which I am negotiating or have an arrangement concerning prospective employment.

Upon confirmation, I will resign from my position with the American Soybean Association. Because I will continue to participate in this entity's defined benefit pension plan, I will not participate personally and substantially in any particular matter that to my knowledge has a direct and predictable effect on the ability or willingness of the American Soybean Association to provide this contractual benefit, unless I first obtain a written waiver, pursuant to 18 U.S.C. § 208(b)(1), or qualify for a regulatory exemption, pursuant to 18 U.S.C. § 208(b)(2). For a period of one year after my resignation, I also will not participate personally and substantially in any particular matter involving specific parties in which I know the American Soybean Association is a party or represents a party, unless I am first authorized to participate, pursuant to 5 C.F.R. § 2635.502(d).

My spouse is employed by the Rockwood (Missouri) School District, in a position for which she receives a fixed salary. For as long as my spouse continues to work for the Rockwood (Missouri) School District, I will not participate personally and substantially in any particular matter involving specific parties in which I know the Rockwood (Missouri) School District, is a party or represents a party, unless I am first authorized to participate, pursuant to 5 C.F.R. § 2635.502(d).

Page 2

If I have a managed account or otherwise use the services of an investment professional during my appointment, I will ensure that the account manager or investment professional obtains my prior approval on a case-by-case basis for the purchase of any assets other than cash, cash equivalents, investment funds that qualify for the exemption at 5 C.F.R. § 2640.201(a), obligations of the United States, or municipal bonds.

I will meet in person with you during the first week of my service in the position of Deputy Secretary in order to complete the initial ethics briefing required under 5 C.F.R. § 2638.305. Within 90 days of my confirmation, I will document my compliance with this ethics agreement by notifying you in writing when I have completed the steps described in this ethics agreement.

I understand that as an appointee I will be required to sign the Ethics Pledge (Exec. Order No. 13770) and that I will be bound by the requirements and restrictions therein in addition to the commitments I have made in this ethics agreement.

I have been advised that this ethics agreement will be posted publicly, consistent with 5 U.S.C. § 552, on the website of the U.S. Office of Government Ethics with ethics agreements of other Presidential nominees who file public financial disclosure reports.

Sincerely,



Stephen Lee Censky

UNITED STATES OFFICE OF  
**GOVERNMENT ETHICS**

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July 25, 2017

The Honorable Pat Roberts  
Chairman  
Committee on Agriculture, Nutrition,  
and Forestry  
United States Senate  
Washington, DC 20510

Dear Mr. Chairman:

In accordance with the Ethics in Government Act of 1978, I enclose a copy of the financial disclosure report filed by Stephen Lee Censky, who has been nominated by President Trump for the position of Deputy Secretary, Department of Agriculture.

We have reviewed the report and have obtained advice from the agency concerning any possible conflict in light of its functions and the nominee's proposed duties. Also enclosed is an ethics agreement outlining the actions that the nominee will undertake to avoid conflicts of interest. Unless a date for compliance is indicated in the ethics agreement, the nominee must fully comply within three months of confirmation with any action specified in the ethics agreement.

Based thereon, we believe that this nominee is in compliance with applicable laws and regulations governing conflicts of interest.

Sincerely,

**DAVID APOL**  
Digitally signed by DAVID APOL  
DN: cn=David J. Apol, o=U.S. Government, ou=Office of  
Government Ethics, email=DAVID.APOL@  
E.O. 12812-GOVERNMENT.ETHICS.DHS.GOV

David J. Apol  
Acting Director and General Counsel

Enclosures

September 15, 2017

The Honorable Pat Roberts  
Chairman  
Committee on Agriculture, Nutrition & Forestry  
United States Senate  
Washington, D.C. 20510

The Honorable Debbie Stabenow  
Ranking Member  
Committee on Agriculture, Nutrition & Forestry  
United States Senate  
Washington, DC 20510

Dear Chairman Roberts and Ranking Member Stabenow:

Please be advised that pursuant to section 101 (b) of the Ethics in Government Act of 1978, as amended, I have informed the appropriate ethics officials that the information required by section 102(a) (1)(A) of the Act with respect to income and honoraria contained in OGE Form 278e (Executive Branch Public Financial Disclosure Report) executed by me on July 20, 2017 is correct. This information is current as of Friday, September 15, 2017. This date is within five days prior to the date of the first hearing scheduled to consider my nomination.

Sincerely,

A handwritten signature in black ink, appearing to read "Stephen L. Censky", written over a horizontal line.

Stephen L. Censky

September 18, 2017

The Honorable Pat Roberts, Chairman  
Committee on Agriculture, Nutrition & Forestry  
United States Senate  
Washington, D.C. 20510

The Honorable Debbie Stabenow, Ranking Member  
Committee on Agriculture, Nutrition & Forestry  
United States Senate  
Washington, DC 20510

RE: Addendum to the Committee Questionnaire

Chairman Roberts and Ranking Member Stabenow:

During my interview with your staff counsels last week, we identified testimony that was inadvertently left off my original Committee Questionnaire. Please find attached the following testimony:

Testimony before the Subcommittee on Wheat, Soybeans, and Feed Grains of the House Agriculture Committee	Stephen L. Censky, Associate Administrator FAS, USDA	11.18.1991
Testimony before the Subcommittee on Domestic and Foreign Marketing and Product Promotion of the Senate Agriculture Committee	Stephen L. Censky, Associate Administrator FAS, USDA	03.24.1992
Testimony before the Government Information, Justice, and Agriculture Subcommittee of the House Committee on Government Operations	Stephen L. Censky, Associate Administrator FAS, USDA	04.07.1992
Testimony before the Subcommittee on International Finance and Monetary Policy of the Senate Committee on Banking, Housing, and Urban Affairs	Stephen L. Censky, Associate Administrator FAS, USDA	05.20.1992
Testimony before the Subcommittee on Agriculture, Rural Development, Food and Drug Administration, and Related Agencies of the House Committee on Appropriations	Stephen L. Censky, Associate Administrator FAS, USDA	1992

Testimony of November 10, 1993 was also identified. Please note however, that was not my testimony. Instead, it was testimony of U.S. General Accounting Office Managing director Allan Mendelowitz. This witness described recommended USDA-FAS improvements and I was mentioned in a leadership role at USDA-FAS at the time.

Additionally, in the Questionnaire #6(c), the following identifies PAC contributions:

American Soybean Association PAC	140.00	2017
American Soybean Association PAC	515.00	2016

American Soybean Association PAC	250.00	2015
American Soybean Association PAC	164.00	2014
American Soybean Association PAC	400.00	2013
American Soybean Association PAC	75.00	2012

Finally, as stated in my "Five Day" letter submitted on September 15, 2017, please be advised that I certify the information included in all of my nominee documents was accurate as of the day of execution through present day, including my official nomination on July 19, 2017.

Sincerely,



Stephen L. Censky

**U.S. SENATE COMMITTEE ON AGRICULTURE, NUTRITION & FORESTRY  
Questions for Executive Nominees  
115<sup>th</sup> Congress**

**1. Basic Biographical Information**

Please provide the following information.

<i>Position to Which You Have Been Nominated</i>	
<u>Name of Position</u>	<u>Date of Nomination</u>
Deputy Secretary of Agriculture	

<i>Current Legal Name</i>			
<u>First Name</u>	<u>Middle Name</u>	<u>Last Name</u>	<u>Suffix</u>
Stephen	Lee	Censky	

<i>Addresses</i>					
<u>Residential Address</u> (do not include street address)			<u>Office Address</u> (include street address)		
			Street: 12125 Woodcrest Executive Dr., Suite 100		
City: Chesterfield	State: MO	Zip: 63005	City: St. Louis	State: MO	Zip: 63141

<i>Other Names Used</i>						
<u>First Name</u>	<u>Middle Name</u>	<u>Last Name</u>	<u>Suffix</u>	<u>Check if Maiden Name</u>	<u>Name Used From</u> (Month/Year) (Check box if estimate)	<u>Name Used To</u> (Month/Year) (Check box if estimate)
					Est	Est 1
					Est	Est 1



<i>Birth Year and Place</i>	
<b>Year of Birth</b> (Do not include month and day.)	<b>Place of Birth</b>
1961	Jackson, Minnesota

<i>Marital Status</i>					
Check All That Describe Your Current Situation:					
Never Married	Married	Separated	Annulled	Divorced	Widowed
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

<i>Spouse's Name</i> (current spouse only)			
<b>Spouse's First Name</b>	<b>Spouse's Middle Name</b>	<b>Spouse's Last Name</b>	<b>Spouse's Suffix</b>
Carmen	C	Censky	

<i>Spouse's Other Names Used</i> (current spouse only)					
<b>First Name</b>	<b>Middle Name</b>	<b>Last Name</b>	<b>Suffix</b>	<b>Name Used From</b> (Month/Year) (Check box if estimate)	<b>Name Used To</b> (Month/Year) (Check box if estimate)
Carmen	Lynn	Calhoun		April, 1965 <input type="checkbox"/> Est	August, 1991 <input type="checkbox"/> Est
				<input type="checkbox"/> Est	<input type="checkbox"/> Est

<i>Children's Names (if over 18)</i>			
<u>First Name</u>	<u>Middle Name</u>	<u>Last Name</u>	<u>Suffix</u>
Abigail	Calhoun	Censky	
Emma-Marie	Calhoun	Censky	

**2. Education**

List all post-secondary schools attended.

<u>Name of School</u>	<u>Type of School</u> (vocational/technical/trade school, college/university/military college, correspondence/distance/extension/online school)	<u>Date Began School</u> (month/year) (check box if estimate)	<u>Date Ended School</u> (month/year) (check box if estimate) (check "present" box if still in school)	<u>Degree</u>	<u>Date Awarded</u>
South Dakota State University	University	August, 1979 <input type="checkbox"/> Est January, 1982 <input type="checkbox"/> Est	May, 1981 <input type="checkbox"/> Est <input type="checkbox"/> Present May, 1983 <input type="checkbox"/> Est <input type="checkbox"/> Present	B.S.	1983
California State University - Chico	University	August, 1981 <input type="checkbox"/> Est	December, 1981 <input type="checkbox"/> Est <input type="checkbox"/> Present	National Student Exchange Program	
University of Melbourne, Australia	University	February, 1988 <input type="checkbox"/> Est	January, 1989 <input type="checkbox"/> Est <input type="checkbox"/> Present	Postgraduate Diploma in Agricultural Science	1989
		<input type="checkbox"/> Est	<input type="checkbox"/> Est <input type="checkbox"/> Present		

### 3. Employment

(A) List all of your employment activities, including unemployment and self-employment. If the employment activity was military duty, list separate employment activity periods to show each change of military duty station. Do not list employment before your 18th birthday unless to provide a minimum of two years of employment history.

<u>Type of Employment</u> (Active Military Duty Station, National Guard/Reserve, USPHS Commissioned Corps, Other Federal employment, State Government (Non-Federal Employment), Self-employment, Unemployment, Federal Contractor, Non-Government Employment (excluding self-employment), Other	<u>Name of Your Employer/Assigned Duty Station</u>	<u>Most Recent Position Title/Rank</u>	<u>Location</u> (City and State only)	<u>Date Employment Began</u> (month/year) (check box if estimate)	<u>Date Employment Ended</u> (month/year) (check box if estimate) (check "present" box if still employed)
Federal Employment	U.S. Senate Washington, DC	Legislative Assistant to Senator James Abdnor	Washington, DC	May, 1983 Est	July, 1985 Est
Other Participant in the National 4-H Council's International 4-H Youth Exchange (IFYE)	National 4-H Council Taiwan and China	IFYE Participant	Taichung, Taiwan and Nanning, China	July, 1985 Est	March, 1986 Est
Federal Employment	U.S. Senate Washington, DC	Legislative Assistant to Senator James Abdnor	Washington, DC	April, 1986 Est	December, 1986 Est
Federal Employment	U.S. Department of Agriculture Washington, DC	Executive Assistant to the Administrator, Agricultural Marketing Service	Washington, DC	December, 1986 Est	January, 1988 Est
Graduate School			University of Melbourne, Australia	February, 1988 Est	January, 1989 Est
Unemployed				January, 1989	March, 1989
Federal Employment	Small Business Administration Washington, DC	Assistant to the Administrator	Washington, DC	March, 1989 (est)	June, 1990
Federal Employment	U.S. Department of Agriculture Washington, DC	Special Assistant to the Under Secretary of	Washington, DC	June, 1990	February, 1991

		International Affairs and Commodity Programs			
Federal Employment	U.S. Department of Agriculture Washington, DC	Associate Administrator and Acting Administrator of the Foreign Agricultural Service	Washington, DC	February, 1991	January, 1993
Non-Government Employment	Shearman & Sterling Washington, DC	Manager, Legislative Agricultural Affairs	Washington, DC	January, 1993	July, 1994
Non-Government Employment	American Soybean Association	CEO and Executive Director of International Marketing	St. Louis, MO	July, 1994	Present

(B) List any advisory, consultative, honorary or other part-time service or positions with federal, state, or local governments, not listed elsewhere.

<u>Name of Government Entity</u>	<u>Name of Position</u>	<u>Date Service Began</u> (month/year) (check box if estimate)	<u>Date Service Ended</u> (month/year) (check box if estimate) (check "present" box if still serving)
U.S. Trade Representative & U.S. Department of Agriculture	Agricultural Technical Advisory Committee (ATAC) for Grains & Oilseeds	2 1999 Est x	1 2004 Est x Present x
U.S. Trade Representative & U.S. Department of Agriculture	Agricultural Policy Advisory Committee (APAC)	1 2004 Est x	12 2011 Est x Present x
U.S. Trade Representative & U.S. Department of Agriculture	Agricultural Policy Advisory Committee (APAC)	11 2015 Est x	Present Est x Present x

#### 4. Honors and Awards

List all scholarships, fellowships, honorary degrees, civilian service citations, military medals, academic or professional honors, honorary society memberships and any other special recognition for outstanding service or achievement.

Outstanding AgriBusiness Person of the Year, 2013 – St. Louis Agribusiness Club

Alpha Gamma Rho Fraternity "Brother of the Century" Award Winner 2004

Rotary International Postgraduate Scholarship Recipient – 1987

National 4-H Council International 4-H Youth Exchange (IFYE) Participant - 1985

National Student Exchange Program Participant - 1981

Harry S. Truman Scholarship Recipient - 1981

Vice President of Student Association, South Dakota State University, 1981-82

Minnesota State 4-H President, 1979-1980

**5. Memberships**

List all memberships that you have held in professional, social, business, fraternal, scholarly, civic, or charitable organizations in the last 10 years.

Unless relevant to your nomination, you do NOT need to include memberships in charitable organizations available to the public as a result of a tax deductible donation of \$1,000 or less, Parent-Teacher Associations or other organizations connected to schools attended by your children, athletic clubs or teams, automobile support organizations (such as AAA), discounts clubs (such as Groupon or Sam's Club), or affinity memberships/consumer clubs (such as frequent flyer memberships).

<u>Name of Organization</u>	<u>Dates of Your Membership</u> (You may approximate.)	<u>Position(s) Held</u>
U.S. Agricultural Export Development Council (USAEDC)	1994-2010	Chair, Vice Chair, Treasurer
St. Louis Agribusiness Club	1994-Present	
Alpha Gamma Rho Fraternity Alumni	1983-Present	









8. Lobbying

In the past ten years, have you registered as a lobbyist? If so, please indicate the state, federal, or local bodies with which you have registered (e.g., House, Senate, California Secretary of State).

No.

## Executive Branch Personnel Public Financial Disclosure Report (OGE Form 278e)

### Filer's Information

McKinney, Ted Andrew

Under Secretary of Agriculture for Trade and Foreign Agricultural Affairs, Department of Agriculture

Other Federal Government Positions Held During the Preceding 12 Months:  
None

Names of Congressional Committees Considering Nomination:

- **Committee on Agriculture, Nutrition, and Forestry**

Electronic Signature - I certify that the statements I have made in this form are true, complete and correct to the best of my knowledge.

/s/ McKinney, Ted Andrew [electronically signed on 05/22/2017 by McKinney, Ted Andrew in Integrity.gov]

Agency Ethics Official's Opinion - On the basis of information contained in this report, I conclude that the filer is in compliance with applicable laws and regulations (subject to any comments below).

/s/ Bender, Stuart, Certifying Official [electronically signed on 08/03/2017 by Bender, Stuart in Integrity.gov]

Other review conducted by

U.S. Office of Government Ethics Certification

/s/ Apol, David, Certifying Official [electronically signed on 08/10/2017 by Apol, David in Integrity.gov]

1. Filer's Positions Held Outside United States Government

#	ORGANIZATION NAME	CITY, STATE	ORGANIZATION TYPE	POSITION HELD	FROM	TO
1	McKinney Farms, Inc.	Kempton, Indiana	Corporation	Board president	11/2002	11/2016
2	Indiana Economic Development Corporation (IEDC)	Indianapolis, Indiana	Public-private partnership	Director, Agribusiness Economic Development	3/2015	Present
3	Indiana State Department of Agriculture	Indianapolis, Indiana	State Government - Indiana	Director, Indiana State Department of Agriculture	1/2014	Present
4	National FFA (Future Farmers of America) Conventions Local Organizing Committee	Indianapolis, Indiana	Non-Profit	Co-Chair (uncompensate)	1/1998	Present
5	McKinney Farms, Inc.	Kempton, Indiana	Corporation	Board Member	11/2016	Present

2. Filer's Employment Assets & Income and Retirement Accounts

#	DESCRIPTION	EIF	VALUE	INCOME TYPE	INCOME AMOUNT
1	Indiana State Department of Agriculture	N/A		Salary/Bonus	\$184,114
2	Dow Savings Plan (401K)	No			
2.1	Lilly Eli & Co Stock	N/A	\$50,001 - \$100,000		None (or less than \$201)
2.2	S&P500 Index Fund	See Endnote	None (or less than \$1,001)		\$15,001 - \$50,000
2.3	Invesco AIM Interest Income Fund	Yes	\$100,001 - \$250,000		\$5,001 - \$15,000
2.4	Dow Chemical Stock	N/A	\$15,001 - \$50,000		None (or less than \$201)

#	DESCRIPTION	EIF	VALUE	INCOME TYPE	INCOME AMOUNT
2.5	Union Carbide Company Stock	N/A	\$15,001 - \$50,000		None (or less than \$201)
3	Lilly Plan (401K)	No			
3.1	Lilly Eli & Co Stock	N/A	\$50,001 - \$100,000		None (or less than \$201)
3.2	Target Date Retirement Portfolio Fund	No	\$50,001 - \$100,000		None (or less than \$201)
4	Indiana Public Employee 457 Plan	No			
4.1	Indiana 2020 Fund	Yes	\$1,001 - \$15,000		None (or less than \$201)
5	Dow Chemical, defined benefit plan	N/A	\$500,001 - \$1,000,000		None (or less than \$201)
6	Lilly, defined benefit plan	N/A	\$100,001 - \$250,000		None (or less than \$201)
7	McKinney Farms, Inc. (Family Farm - crops) Clinton County, Indiana	N/A	\$500,001 - \$1,000,000	Farming income	\$22,395

### 3. Filer's Employment Agreements and Arrangements

#	EMPLOYER OR PARTY	CITY, STATE	STATUS AND TERMS	DATE
1	Dow Chemical Company Defined Benefit Plan	Midland, Michigan	I will continue to participate in this defined benefit plan. Employer contributions ended with my separation from service.	5/1981
2	Lilly 401K	Indianapolis, Indiana	I will continue to participate in this defined contribution plan. Employer contributions ended with my separation from service.	12/2009
3	State of Indiana Public Employee 457 Plan	Indianapolis, Indiana	Employer contributions will end with my separation from service. I plan to defer pension distributions until age 70.5.	1/2014
4	Dow Chemical Savings Plan (401K)	Midland, Michigan	I will continue to participate in this defined contribution plan. Employer contributions ended with my separation from service.	5/1981

#	EMPLOYER OR PARTY	CITY, STATE	STATUS AND TERMS	DATE
5	Lilly defined benefit plan	Indianapolis, Indiana	I will continue to participate in this defined benefit plan.	12/2009

#### 4. Filer's Sources of Compensation Exceeding \$5,000 in a Year

#	SOURCE NAME	CITY, STATE	BRIEF DESCRIPTION OF DUTIES
1	Indiana State Department of Agriculture	Indianapolis, Indiana	Director of the Department of Agriculture - Jan 2014 to present.
2	McKinney Farms, Inc.	Kempston, Indiana	I serve as Board President of this corporation.

#### 5. Spouse's Employment Assets & Income and Retirement Accounts

#	DESCRIPTION	EIF	VALUE	INCOME TYPE	INCOME AMOUNT
1	Hamilton Southeastern Schools	N/A		salary	
2	Indiana Public Retirement System, defined benefit plan	N/A	\$50,001 - \$100,000		None (or less than \$201)
3	Hamilton Southeastern Schools 403b	No			
3.1	AXA Lg Cap Growth Fund	Yes	\$15,001 - \$50,000		\$201 - \$1,000
3.2	Black Rock Basic Value Fund	Yes	None (or less than \$1,001)		None (or less than \$201)
3.3	AXA Common Stock Index Fund	Yes	\$15,001 - \$50,000		\$201 - \$1,000
3.4	Lg Cap Growth Fund	Yes	\$1,001 - \$15,000		\$201 - \$1,000
3.5	AXA Mid Cap Value Fund	Yes	None (or less than \$1,001)		None (or less than \$201)
3.6	AXAVAB Small Cap Growth Fund	Yes	\$1,001 - \$15,000		\$201 - \$1,000
3.7	International Equity Index Fund	Yes	\$1,001 - \$15,000		\$201 - \$1,000

#	DESCRIPTION	EIF	VALUE	INCOME TYPE	INCOME AMOUNT
3.8	Growth Fund of America Fund	Yes	\$1,001 - \$15,000		\$201 - \$1,000
3.9	Artisan Mid Cap Value Fund	Yes	\$1,001 - \$15,000		None (or less than \$201)
3.10	Pioneer Mid Cap Value Fund	Yes	\$1,001 - \$15,000		None (or less than \$201)
3.11	MetLife Fixed Interest Account	Yes	\$1,001 - \$15,000		None (or less than \$201)

#### 6. Other Assets and Income

#	DESCRIPTION	EIF	VALUE	INCOME TYPE	INCOME AMOUNT
1	Northwestern Mutual Whole Life Insurance Policy	N/A	\$15,001 - \$50,000		None (or less than \$201)
2	Impact Cooperative (Co-Op) Membership (Patronage Dividends)	No	\$1,001 - \$15,000	Dividends	\$201 - \$1,000
3	IRA	No			
3.1	AMG Montag & Caldwell Growth	Yes	\$15,001 - \$50,000		None (or less than \$201)
3.2	AQR Managed Futures Institutional Fund	Yes	\$15,001 - \$50,000		None (or less than \$201)
3.3	AQR Multi Strategy Alt	Yes	\$15,001 - \$50,000		None (or less than \$201)
3.4	Artisan Intl Fund	Yes	\$15,001 - \$50,000		None (or less than \$201)
3.5	BlackRock Equity Dividend Fund	Yes	\$15,001 - \$50,000		None (or less than \$201)
3.6	Brown Advisory Small Cap Fundamental Fund	Yes	\$15,001 - \$50,000		None (or less than \$201)
3.7	U.S. Brokerage Account (Cash)	N/A	\$1,001 - \$15,000		None (or less than \$201)

#	DESCRIPTION	EIF	VALUE	INCOME TYPE	INCOME AMOUNT
3.8	Champlain Small Company Fund	Yes	\$15,001 - \$50,000		None (or less than \$201)
3.9	Dodge & Cox Intl Stock Fund	Yes	\$50,001 - \$100,000		None (or less than \$201)
3.10	FMI Large Cap Inst	Yes	\$50,001 - \$100,000		None (or less than \$201)
3.11	Harbor Capital Apprec	Yes	\$50,001 - \$100,000		None (or less than \$201)
3.12	iShares Russell Mid Cap Value	Yes	\$15,001 - \$50,000		None (or less than \$201)
3.13	Loomis Sayles Bond Inst Fund	Yes	\$50,001 - \$100,000		None (or less than \$201)
3.14	Metropolitan West Total Return Fund	Yes	\$50,001 - \$100,000		None (or less than \$201)
3.15	PIMCO All Asset Fund	Yes	\$50,001 - \$100,000		None (or less than \$201)
3.16	Scout Unconstrained Bond	Yes	\$50,001 - \$100,000		None (or less than \$201)
3.17	Vanguard Mid Cap Growth Index Admiral Fund	Yes	\$15,001 - \$50,000		None (or less than \$201)
3.18	Walthausen Small Cap Value	Yes	\$15,001 - \$50,000		None (or less than \$201)
3.19	AMG Double Line Core Plus Bond Fund	Yes	\$15,001 - \$50,000		None (or less than \$201)
4	BlackRock Low Duration Bond Fund	Yes	\$15,001 - \$50,000		None (or less than \$201)
5	U.S. Credit Union (cash account)	N/A	\$1,001 - \$15,000		None (or less than \$201)
6	M&K Land Group (family farm - crops) Clinton and Tipton Counties, Indiana	See Endnote	\$100,001 - \$250,000	Farming income	\$3,539

7. Transactions

(N/A) - Not required for this type of report

8. Liabilities

#	CREDITOR NAME	TYPE	AMOUNT	YEAR INCURRED	RATE	TERM
1	M&T Bank	Mortgage on Personal Residence	\$100,001 - \$250,000	2016	4.625%	30 years
2	Specialized Loan Servicing	Mortgage on Personal Residence	\$15,001 - \$50,000	2015	7.500%	20
3	Elements Credit Union	Personal Loan	\$15,001 - \$50,000	2016	5.00%	72 month

9. Gifts and Travel Reimbursements

(N/A) - Not required for this type of report

Endnotes

PART	#	ENDNOTE
1.	1	McKinney Farms, Inc. is a sub-S Corporation farm owned by my siblings and me from January, 2000 to present. Previously, I served as President for 15 years and surrendered the Presidency as part of a rotation among owner/family members. I continue to serve as a Board member, but I am not an officer. One of my brothers is engaged in active work on the farm. I do not work on the farm.
1.	2	I hold this position as a result of my being the Director of the State of Indiana's Dept of Agriculture. The salary to cover this work comes as a result of my Indiana State Department of Agriculture state government salary.



PART	#	ENDNOTE
2.	2.2	I liquidated my holding in the S&P 500 Index Fund in late 2016. I am reporting the income I received when I held that asset.
2.	2.5	The Union Carbide Company was acquired by the Dow Chemical Company. My Union Carbide Company stock is still listed this way in my 401(k) with Dow.
6.	6	I own a 3.8% fractional ownership in the farm land. The amount I am reporting represents my ownership interest.

## Summary of Contents

### 1. Filer's Positions Held Outside United States Government

Part 1 discloses positions that the filer held at any time during the reporting period (excluding positions with the United States Government). Positions are reportable even if the filer did not receive compensation.

This section does not include the following: (1) positions with religious, social, fraternal, or political organizations; (2) positions solely of an honorary nature; (3) positions held as part of the filer's official duties with the United States Government; (4) mere membership in an organization; and (5) passive investment interests as a limited partner or non-managing member of a limited liability company.

### 2. Filer's Employment Assets & Income and Retirement Accounts

Part 2 discloses the following:

- Sources of earned and other non-investment income of the filer totaling more than \$200 during the reporting period (e.g., salary, fees, partnership share, honoraria, scholarships, and prizes)
- Assets related to the filer's business, employment, or other income-generating activities that (1) ended the reporting period with a value greater than \$1,000 or (2) produced more than \$200 in income during the reporting period (e.g., equity in business or partnership, stock options, retirement plans/accounts and their underlying holdings as appropriate, deferred compensation, and intellectual property, such as book deals and patents)

This section does not include assets or income from United States Government employment or assets that were acquired separately from the filer's business, employment, or other income-generating activities (e.g., assets purchased through a brokerage account). Note: The type of income is not required if the amount of income is \$0 - \$200 or if the asset qualifies as an exempt investment fund (EIF).

### 3. Filer's Employment Agreements and Arrangements

Part 3 discloses agreements or arrangements that the filer had during the reporting period with an employer or former employer (except the United States Government), such as the following:

- Future employment
- Leave of absence
- Continuing payments from an employer, including severance and payments not yet received for previous work (excluding ordinary salary from a current employer)
- Continuing participation in an employee welfare, retirement, or other benefit plan, such as pensions or a deferred compensation plan
- Retention or disposition of employer-awarded equity, sharing in profits or carried interests (e.g., vested and unvested stock options, restricted stock, future share of a company's profits, etc.)

### 4. Filer's Sources of Compensation Exceeding \$5,000 in a Year

Part 4 discloses sources (except the United States Government) that paid more than \$5,000 in a calendar year for the filer's services during any year of the reporting period.

The filer discloses payments both from employers and from any clients to whom the filer personally provided services. The filer discloses a source even if the source made its payment to the filer's employer and not to the filer. The filer does not disclose a client's payment to the filer's employer if the filer did not provide the services for which the client is paying.

#### 5. Spouse's Employment Assets & Income and Retirement Accounts

Part 5 discloses the following:

- Sources of earned income (excluding honoraria) for the filer's spouse totaling more than \$1,000 during the reporting period (e.g., salary, consulting fees, and partnership share)
- Sources of honoraria for the filer's spouse greater than \$200 during the reporting period
- Assets related to the filer's spouse's employment, business activities, other income-generating activities that (1) ended the reporting period with a value greater than \$1,000 or (2) produced more than \$200 in income during the reporting period (e.g., equity in business or partnership, stock options, retirement plans/accounts and their underlying holdings as appropriate, deferred compensation, and intellectual property, such as book deals and patents)

This section does not include assets or income from United States Government employment or assets that were acquired separately from the filer's spouse's business, employment, or other income-generating activities (e.g., assets purchased through a brokerage account). Note: The type of income is not required if the amount of income is \$0 - \$200 or if the asset qualifies as an excepted investment fund (EIF). Amounts of income are not required for a spouse's earned income (excluding honoraria).

#### 6. Other Assets and Income

Part 6 discloses each asset, not already reported, that (1) ended the reporting period with a value greater than \$1,000 or (2) produced more than \$200 in investment income during the reporting period. For purposes of the value and income thresholds, the filer aggregates the filer's interests with those of the filer's spouse and dependent children.

This section does not include the following types of assets: (1) a personal residence (unless it was rented out during the reporting period); (2) income or retirement benefits associated with United States Government employment (e.g., Thrift Savings Plan); and (3) cash accounts (e.g., checking, savings, money market accounts) at a single financial institution with a value of \$5,000 or less (unless more than \$200 of income was produced). Additional exceptions apply. Note: The type of income is not required if the amount of income is \$0 - \$200 or if the asset qualifies as an excepted investment fund (EIF).

#### 7. Transactions

Part 7 discloses purchases, sales, or exchanges of real property or securities in excess of \$1,000 made on behalf of the filer, the filer's spouse or dependent child during reporting period.

This section does not include transactions that concern the following: (1) a personal residence, unless rented out; (2) cash accounts (e.g., checking, savings, CDs, money market accounts) and money market mutual funds; (3) Treasury bills, bonds, and notes; and (4) holdings within a federal Thrift Savings Plan account. Additional exceptions apply.

## 8. Liabilities

Part 8 discloses liabilities over \$10,000 that the filer, the filer's spouse or dependent child owed at any time during the reporting period.

This section does not include the following types of liabilities: (1) mortgages on a personal residence, unless rented out (limitations apply for PAS filers); (2) loans secured by a personal motor vehicle, household furniture, or appliances, unless the loan exceeds the item's purchase price; and (3) revolving charge accounts, such as credit card balances, if the outstanding liability did not exceed \$10,000 at the end of the reporting period. Additional exceptions apply.

## 9. Gifts and Travel Reimbursements

This section discloses:

- Gifts totaling more than \$375 that the filer, the filer's spouse, and dependent children received from any one source during the reporting period.
- Travel reimbursements totaling more than \$375 that the filer, the filer's spouse, and dependent children received from any one source during the reporting period.

For purposes of this section, the filer need not aggregate any gift or travel reimbursement with a value of \$150 or less. Regardless of the value, this section does not include the following items: (1) anything received from relatives; (2) anything received from the United States Government or from the District of Columbia, state, or local governments; (3) bequests and other forms of inheritance; (4) gifts and travel reimbursements given to the filer's agency in connection with the filer's official travel; (5) gifts of hospitality (food, lodging, entertainment) at the donor's residence or personal premises; and (6) anything received by the filer's spouse or dependent children totally independent of their relationship to the filer. Additional exceptions apply.

#### Privacy Act Statement

Title I of the Ethics in Government Act of 1978, as amended (the Act), 5 U.S.C. app. § 101 et seq., as amended by the Stop Trading on Congressional Knowledge Act of 2012 (Pub. L. 112-105) (STOCK Act), and 5 C.F.R. Part 2634 of the U.S. Office of Government Ethics regulations require the reporting of this information. The primary use of the information on this report is for review by Government officials to determine compliance with applicable Federal laws and regulations. This report may also be disclosed upon request to any requesting person in accordance with sections 105 and 402(b)(1) of the Act or as otherwise authorized by law. You may inspect applications for public access of your own form upon request. Additional disclosures of the information on this report may be made: (1) to any requesting person, subject to the limitation contained in section 208(d)(1) of title 18, any determination granting an exemption pursuant to sections 208(b)(1) and 208(b)(3) of title 18; (2) to a Federal, State, or local law enforcement agency if the disclosing agency becomes aware of violations or potential violations of law or regulation; (3) to another Federal agency, court, or party in a court or Federal administrative proceeding when the Government is a party or in order to comply with a judge-issued subpoena; (4) to a source when necessary to obtain information relevant to a conflict of interest investigation or determination; (5) to the National Archives and Records Administration or the General Services Administration in records management inspections; (6) to the Office of Management and Budget during legislative coordination on private relief legislation; (7) to the Department of Justice or in certain legal proceedings when the disclosing agency, an employee of the disclosing agency, or the United States is a party to litigation or has an interest in the litigation and the use of such records is deemed relevant and necessary to the litigation; (8) to reviewing officials in a new office, department or agency when an employee transfers or is detailed from one covered position to another; (9) to a Member of Congress or a congressional office in response to an inquiry made on behalf of an individual who is the subject of the record; (10) to contractors and other non-Government employees working on a contract, service or assignment for the Federal Government when necessary to accomplish a function related to an OGE Government-wide system of records; and (11) on the OGE Website and to any person, department or agency, any written ethics agreement filed with OGE by an individual nominated by the President to a position requiring Senate confirmation. See also the OGE/GOVT-1 executive branch-wide Privacy Act system of records.

#### Public Burden Information

This collection of information is estimated to take an average of three hours per response, including time for reviewing the instructions, gathering the data needed, and completing the form. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Program Counsel, U.S. Office of Government Ethics (OGE), Suite 500, 1201 New York Avenue, NW., Washington, DC 20005-3917.

Pursuant to the Paperwork Reduction Act, as amended, an agency may not conduct or sponsor, and no person is required to respond to, a collection of information unless it displays a currently valid OMB control number (that number, 3209-0001, is displayed here and at the top of the first page of this OGE Form 278e).

July 20, 2017

Mr. Stuart Bender  
Designated Agency Ethics Official  
U.S. Department of Agriculture  
Washington, D.C. 20250

Dear Mr. Bender:

The purpose of this letter is to describe the steps that I will take to avoid any actual or apparent conflict of interest in the event that I am confirmed for the position of Under Secretary for Trade & Foreign Agricultural Affairs of the U.S. Department of Agriculture (USDA).

As required by 18 U.S.C. § 208(a), I will not participate personally and substantially in any particular matter in which I know that I have a financial interest directly and predictably affected by the matter, or in which I know that a person whose interests are imputed to me has a financial interest directly and predictably affected by the matter, unless I first obtain a written waiver, pursuant to 18 U.S.C. § 208(b)(1), or qualify for a regulatory exemption, pursuant to 18 U.S.C. § 208(b)(2). I understand that the interests of the following persons are imputed to me: any spouse or minor child of mine; any general partner of a partnership in which I am a limited or general partner; any organization in which I serve as officer, director, trustee, general partner or employee; and any person or organization with which I am negotiating or have an arrangement concerning prospective employment.

Upon confirmation, I will resign from my positions or affiliations with the following entities:

1. Indiana State Department of Agriculture
2. Indiana Economic Development Corporation
3. National FFA (Future Farmers of America) Conventions Local Organizing Committee.

For a period of one year after my resignation from each of these entities, I will not participate personally and substantially in any particular matter involving specific parties in which I know that entity is a party or represents a party, unless I am first authorized to participate, pursuant to 5 C.F.R. § 2635.502(d).

My siblings and I own McKinney Farms, Inc. McKinney Farms, Inc. participates in the USDA Agriculture Risk Coverage program. Upon confirmation, I will resign from my position as Board member of McKinney Farms, Inc. I will continue to have a financial interest in this entity, but I will not provide services material to the production of income. Instead, I will receive only passive investment income from it. I will not participate personally and substantially in any particular matter that to my knowledge has a direct and predictable effect on the financial interests of McKinney Farms, Inc., unless I first obtain a written waiver, pursuant to 18 U.S.C. § 208(b)(1).

Mr. Stuart Bender  
Page 2

I have an ownership interest in M&K Land Group, a closely-held corporation run solely by my parents. M&K Land Group participates in the USDA Agriculture Risk Coverage program. I do not hold a position with this entity. I will continue to have a financial interest in this entity, but I will not provide services material to the production of income. Instead, I will receive only passive investment income from it. I will not participate personally and substantially in any particular matter that to my knowledge has a direct and predictable effect on the financial interests of M&K Land Group, unless I first obtain a written waiver pursuant to 18 U.S.C. § 208(b)(1).

I will divest my interests in the following entities within 90 days of my confirmation:

1. Dow Chemical
2. Union Carbide Company (owned by Dow)
3. Lilly Eli & Co

With regard to each of these entities, I will not participate personally and substantially in any particular matter that to my knowledge has a direct and predictable effect on the financial interests of the entity until I have divested it, unless I first obtain a written waiver, pursuant to 18 U.S.C. § 208(b)(1), or qualify for a regulatory exemption, pursuant to 18 U.S.C. § 208(b)(2).

I understand that I may be eligible to request a Certificate of Divestiture for qualifying assets and that a Certificate of Divestiture is effective only if obtained prior to divestiture. Regardless of whether I receive a Certificate of Divestiture, I will ensure that all divestitures discussed in this agreement occur within the agreed upon timeframes and that all proceeds are invested in non-conflicting assets.

Within 90 days of my confirmation, I will also divest my interest in the Target Date Retirement Portfolio Fund. Until I have divested the fund, I will not participate personally and substantially in any particular matter that to my knowledge has a direct and predictable effect on the financial interests of that fund or its underlying assets, unless I first obtain a written waiver, pursuant to 18 U.S.C. § 208(b)(1), or qualify for a regulatory exemption, pursuant to 18 U.S.C. § 208(b)(2).

If I have a managed account or otherwise use the services of an investment professional during my appointment, I will ensure that the account manager or investment professional obtains my prior approval on a case-by-case basis for the purchase of any assets other than cash, cash equivalents, investment funds that qualify for the exemption at 5 C.F.R. § 2640.201(a), obligations of the United States, or municipal bonds.

I will meet in person with you during the first week of my service in the position of Under Secretary in order to complete the initial ethics briefing required under 5 C.F.R. § 2638.305. Within 90 days of my confirmation, I will also document my compliance with this

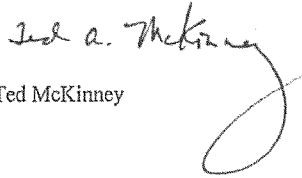
Mr. Stuart Bender  
Page 3

ethics agreement by notifying you in writing when I have completed the steps described in this ethics agreement.

I understand that as an appointee I will be required to sign the Ethics Pledge (Exec. Order No. 13770) and that I will be bound by the requirements and restrictions therein in addition to the commitments I have made in this ethics agreement.

I have been advised that this ethics agreement will be posted publicly, consistent with 5 U.S.C. § 552, on the website of the U.S. Office of Government Ethics with ethics agreements of other Presidential nominees who file public financial disclosure reports.

Sincerely,

A handwritten signature in black ink that reads "Ted A. McKinney". The signature is written in a cursive style with a large, looping flourish at the end.

Ted McKinney



UNITED STATES OFFICE OF  
GOVERNMENT ETHICS

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August 10, 2017

The Honorable Pat Roberts  
Chairman  
Committee on Agriculture, Nutrition,  
and Forestry  
United States Senate  
Washington, DC 20510

Dear Mr. Chairman:

In accordance with the Ethics in Government Act of 1978, I enclose a copy of the financial disclosure report filed by Ted A. McKinney, who has been nominated by President Trump for the position of Under Secretary for Trade and Foreign Agricultural Affairs, Department of Agriculture.

We have reviewed the report and have obtained advice from the agency concerning any possible conflict in light of its functions and the nominee's proposed duties. Also enclosed is an ethics agreement outlining the actions that the nominee will undertake to avoid conflicts of interest. Unless a date for compliance is indicated in the ethics agreement, the nominee must fully comply within three months of confirmation with any action specified in the ethics agreement.

Based thereon, we believe that this nominee is in compliance with applicable laws and regulations governing conflicts of interest.

Sincerely,

DAVID APOL

Digitally signed by DAVID APOL  
DN: cn=DAVID APOL, o=U.S. Government, ou=Office of  
Government Ethics, ou=DAVID APOL,  
c=US, email=DAVID.APOL@OIG.EOP.DHS.GOV  
Date: 2017.08.10 17:51:35 -0400

David J. Apol  
Acting Director and General Counsel

Enclosures

September 15, 2017

The Honorable Pat Roberts  
Chairman  
Committee on Agriculture, Nutrition & Forestry  
United States Senate  
Washington, D.C. 20510

The Honorable Debbie Stabenow  
Ranking Member  
Committee on Agriculture, Nutrition & Forestry  
United States Senate  
Washington, D.C. 20510

Dear Chairman Roberts and Ranking Member Stabenow:

On August 3, 2017, a copy of my SF-278, Executive Branch Public Financial Disclosure Report, required in conjunction with my nomination to serve as Under Secretary for Trade and Foreign Agricultural Services for the United States Department of Agriculture was submitted to the Office of Government Ethics. That report contained all required financial information.

The Ethics in Government Act of 1978, as amended, also requires that I update certain information reported on the SF-278, i.e., that required by section 102(a)(1)(A) of the Act, respecting income (other than dividends, interest, rents, and capital gains) and honoraria, to date which occurs not more than five days before the date of the hearing to be held by your Committee to consider my nomination. The hearing to be held on my nomination is scheduled for September 19, 2017. The purpose of this letter is to report that since I filed that Financial Disclosure Report, I earned no such income or honoraria.

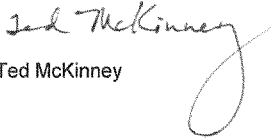
Additionally, in response to questions from Committee staff, I want to provide the following supplemental information:

- Questionnaire 3(B) – The question reads “List any advisory, consultative, honorary or other part-time service or positions with federal, state, or local governments, not listed elsewhere. In reply, I rostered my role as Chairman of the Indiana Agriculture Regulatory Structure Task Force, indicating August 2007 as “date service began,” and February 2008 as “date service ended. The “date service ended” needs to be corrected to read “February 2009” instead of “February 2008.”
- Questionnaire #5 - Memberships – In this section I rostered all the different organizations where I serve now or have served in the past in some capacity. A question arose about my future intentions with those organizations in which I am currently active. To answer the question, I intend to resign, and submit a written letter or e-mail formalizing my resignation, from every organization where I have current involvement within the first day of my service as Undersecretary, should I be confirmed. The vast majority of my service to these organizations is the result of my current position as Director, Indiana State Department of Agriculture (ISDA), so membership will lapse upon my resignation as Director of USDA. The only exception to this roster is that my wife and I intend to retain our active memberships with St. Luke's United Methodist Church of Indianapolis, IN.

- Questionnaire #6(C) – I inadvertently missed reporting a \$500 contribution to a friend from Indiana who sought to represent the Indiana 3<sup>rd</sup> Congressional District. To correct this, under Section 6(C), I add a contribution for “Kip Tom for U.S. Congress.” The amount was \$500, and 2016 was the year of the contribution.
- Questionnaire - #7 Publications – I misunderstood this section as the word “letters” isn’t mentioned. This is easily corrected as I attach letters that were either signed directly by me or co-signed as part of my role as Director, Indiana State Department of Agriculture. Specifically, these include:
  - December 2016 letter to US EPA Administrator requesting an extension in the implementation timetable for new Worker Protection Standards
  - November 2014 joint letter to US EPA concerning Waters of the U.S. (WOTUS). It was signed jointly by the Commissioner of the Indiana Department of Environmental Management (IDEM), and me
  - November 2015 letter to the U.S. Secretary of Labor concerning due process in enactment of new rules by the Occupational Safety & Health Administration (OSHA) about storage of certain fertilizers
  - June 2015 letter to the Indiana Congressional delegation urging they help fix the problems with the then required Country of Origin Labeling (COOL) laws and regulations.

I trust that this letter satisfies the additional applicable reporting requirements contained in the Ethics in Government Act.

Sincerely,

  
Ted McKinney

**U.S. SENATE COMMITTEE ON AGRICULTURE, NUTRITION & FORESTRY**  
**Questions for Executive Nominees**  
**115<sup>th</sup> Congress**

**1. Basic Biographical Information**

Please provide the following information.

<i>Position to Which You Have Been Nominated</i>	
<u>Name of Position</u>	<u>Date of Nomination</u>
Undersecretary of Agriculture for Trade and Foreign Agricultural Affairs	

<i>Current Legal Name</i>			
<u>First Name</u>	<u>Middle Name</u>	<u>Last Name</u>	<u>Suffix</u>
Ted	Andrew	McKinney	

<i>Addresses</i>					
<u>Residential Address</u> (do not include street address)			<u>Office Address</u> (include street address)		
			Street: One North Capitol, Suite 600		
City: Indianapolis	State: IN	Zip: 46256	City: Indianapolis	State: IN	Zip: 46204

<i>Other Names Used</i>						
<u>First Name</u>	<u>Middle Name</u>	<u>Last Name</u>	<u>Suffix</u>	<small>Check if Maiden Name</small>	<u>Name Used From</u> (Month/Year) (Check box if estimate)	<u>Name Used To</u> (Month/Year) (Check box if estimate)
Not applicable					Est <input type="checkbox"/>	Est <input type="checkbox"/>
					Est <input type="checkbox"/>	Est <input type="checkbox"/>

<i>Birth Year and Place</i>	
Year of Birth (Do not include month and day.)	Place of Birth
1958	Tipton Community Hospital Tipton, IN 46072

<i>Marital Status</i>					
Check All That Describe Your Current Situation:					
Never Married	Married	Separated	Annulled	Divorced	Widowed
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

<i>Spouse's Name (current spouse only)</i>			
Spouse's First Name	Spouse's Middle Name	Spouse's Last Name	Spouse's Suffix
Julie	Ann	McKinney	

<i>Spouse's Other Names Used (current spouse only)</i>						
First Name	Middle Name	Last Name	Suffix	Check if Maiden Name	Name Used From (Month/Year) (Check box if estimate)	Name Used To (Month/Year) (Check box if estimate)
Julie	Ann	Fisher		xx	July 1960	June 1982

<i>Children's Names (if over 18)</i>			
First Name	Middle Name	Last Name	Suffix
Bradley	Austin	McKinney	
Brooke	Allison	Klinker	
Caroline	Ann	McKinney	

2. Education

List all post-secondary schools attended.

<u>Name of School</u>	<u>Type of School</u> (vocational/technical/trade school, college/university/military college, correspondence/distance/extension/online school)	<u>Date Began School</u> (month/year) (check box if estimate)	<u>Date Ended School</u> (month/year) (check box if estimate) (check "present" box if still in school)	<u>Degree</u>	<u>Date Awarded</u>
Purdue University	University	August 1976	May 1981	B.S.	May 1981
		Est <input type="checkbox"/>	Present <input type="checkbox"/> Est <input type="checkbox"/>		

### 3. Employment

(A) List all of your employment activities, including unemployment and self-employment. If the employment activity was military duty, list separate employment activity periods to show each change of military duty station. Do not list employment before your 18th birthday unless to provide a minimum of two years of employment history.

<u>Type of Employment</u> (Active Military Duty Station, National Guard/Reserve, USPS Commissioned Corps, Other Federal employment, State Government (Non-Federal Employment), Self-employment, Unemployment, Federal Contractor, Non-Government Employment (excluding self-employment), Other	<u>Name of Your Employer/Assigned Duty Station</u>	<u>Most Recent Position Title/Rank</u>	<u>Location</u> (City and State only)	<u>Date Employment Began</u> (month/year) (check box if estimate)	<u>Date Employment Ended</u> (month/year) (check box if estimate) (check "present" box if still employed)
Indiana State FFA Officer (Unpaid 1-yr service to youth organization)	Indiana FFA Association	Vice President, Northern Region	Indianapolis, IN	June 1977	June 1978
Self-employed during summers on family farm w/ niche business	McKinney Seed Corn Detasseling (co-owned summer business w/ brother)	Co-owner	Kempton Indiana (Family farm)	June 1975	June 1980
Corporate Sales & Marketing	Elanco Products Company, a division of Eli Lilly and Co.	Associate, Agrichemicals Market Planning	Indianapolis, IN	May 1981	Feb 1986
Corporate Affairs	Eli Lilly and Company (parent company to Elanco)	Sr. Associate, Media Relations	Indianapolis, IN	Feb 1986	Feb 1990
Corporate Affairs	Dow AgroSciences, division of Dow Chemical Company	Leader, Food Chain, Agricultural Industry Affairs, and State Govmt Relations	Indianapolis, IN	Feb 1990	Dec 2009
Industry Consortium *Note -- this role was non-paid & a part of my work with Dow AgroSciences. I was essentially a "loaned executive."	Council for Biotechnology Information	Co-founder & Interim Executive Director	Washington, DC	Jan 2000 (est)	Aug 2000 (est)
Corporate Affairs	Elanco Animal Health, division of Eli Lilly and Company	Director, Global Corporate Affairs	Greenfield, IN	Dec 2009	Jan 2014
State Government	State of Indiana	Director, Indiana State Department of Agriculture	Indianapolis, IN	Jan 2014	Present July 2017

(B) List any advisory, consultative, honorary or other part-time service or positions with federal, state, or local governments, not listed elsewhere.

<u>Name of Government Entity</u>	<u>Name of Position</u>	<u>Date Service Began</u> (month/year) (check box if estimate)	<u>Date Service Ended</u> (month/year) (check box if estimate) (check "present" box if still serving)
Indiana Agriculture Regulatory Structure Task Force	Chairman of Task Force (appointed by Lt. Governor of Indiana. TF reviewed ag regulatory structure in IN for efficiency, alignment, effectiveness)	August 2007	February 2008

#### 4. Honors and Awards

List all scholarships, fellowships, honorary degrees, civilian service citations, military medals, academic or professional honors, honorary society memberships and any other special recognition for outstanding service or achievement.

Sagamore of the Wabash, Indiana's Highest Civilian Recognition, 2016 and 2013

Presented by then Governor Mike Pence

Purdue University Extension, Director's Award, 2016

CropLife America, State Legislative Award, 2016

Indiana FFA Association

Hoosier Farmer Degree, 1978

Honorary Hoosier FFA Degree, 2015

National FFA Organization

American FFA Degree, 1978

Honorary American FFA Degree, 2004

Alpha Gamma Rho Fraternity

Brother of the Century Recognition, 2004

Grand President's Award, 2002

Delta Chapter (Purdue) Board of Directors, 1986-1990

Stanley K. Lacy Indianapolis Executive Leadership Series, 1992

AgriInstitute (Indiana Agricultural Leadership Program)

Class 4 Member, 1990-1991

Purdue University

Distinguished Agriculture Alumnus, Purdue College of Agriculture, 2002

G.A. Ross Award, Purdue University – Outstanding Male Graduate, Class of 1981

Purdue Pete, University Athletic Mascot – 1978-81

Indiana 4-H

10-year member

#### 5. Memberships

List all memberships that you have held in professional, social, business, fraternal, scholarly, civic, or charitable organizations in the last 10 years.



Unless relevant to your nomination, you do NOT need to include memberships in charitable organizations available to the public as a result of a tax deductible donation of \$1,000 or less, Parent-Teacher Associations or other organizations connected to schools attended by your children, athletic clubs or teams, automobile support organizations (such as AAA), discounts clubs (such as Groupon or Sam's Club), or affinity memberships/consumer clubs (such as frequent flyer memberships).

<u>Name of Organization</u>	<u>Dates of Your Membership</u> (You may approximate.)	<u>Position(s) Held</u>
St. Lukes United Methodist Church	1984 - present	Member
Food Export Association of the Midwest (Board membership comes with position as Director of State Dept of Agriculture)	2014 - present	*President, Board of Directors, May 2017 - present *Member, Board of Directors - 2014 - present
AgriNovus Indiana	2014 - present	Member, Board of Directors and Executive Committee
National Association of State Departments of Agriculture (NASDA)	2014 - present	Chair, Plant Agriculture & Pesticide Committee (2015-present)
Midwest Association of State Departments of Agriculture	2014 - present	Member (membership is result of my position as Director of IN State Dept of Ag)
Indiana Grown Commission	2015 - present	Chairman of the Board
Purdue University Dean of Agriculture Advisory Committee	2014 - present 1996-2002	Member Member
Indiana State Fair Commission Indiana State Fair Board	2005 - present 2014 - present	Member Member
Farm Foundation	2012 - present	Roundtable Member
National FFA Conventions (Indianapolis)	2006 - present	Co-chair
Hypoxia Task Force	2014 - present	Member & Vice Chair
AgriInstitute	2014 - present	Member, Board of Directors
Purdue Agricultural Alumni Trust Fund	2004 - present	Member, Board of Directors
Greater Indianapolis Progress Committee	2012-2014	Member, Board of Directors
U.S. Meat Export Federation	2011 - 2014	Member, Executive Committee & Board of Directors
Greenfield, IN Chamber of Commerce	2011-2014	Member, Board of Directors
United Way of Central Indiana	2011-2012	Company Chairman
International Federation of Animal Health (renamed Health for Animals in 2014)	2010-2013	Member, International Policy Council & Lead Team
Children's Museum of Indianapolis	2003 - 2009	Member, Board of Directors
International Food Information Council	1999-2014	Board of Directors (1999-2014) Executive Committee (2010-2014)
CropLife America	1998 - 2009	States Affairs Committee
National Corn Growers Association	2004-2009	Member, Agricultural Biotechnology Council
American Soybean Association	2006-2009	Member, Biotechnology Task Force

### 6. Political Activity

(A) Have you ever been a candidate for or been elected or appointed to a political office?

<u>Name of Office</u>	<u>Elected/Appointed/ Candidate Only</u>	<u>Year(s) Election Held or Appointment Made</u>	<u>Term of Service (if applicable)</u>
Director, Indiana State Department of Agriculture	Appointed	Appointed January 2014	Serving at present (July 2017)
Precinct Committeeman	Appointed	1985	1985-1987

(B) List any offices held in or services rendered to a political party or election committee during the last ten years that you have not listed elsewhere.

<u>Name of Party/Election Committee</u>	<u>Office/Services Rendered</u>	<u>Responsibilities</u>	<u>Dates of Service</u>
Mike Pence for Indiana	Volunteer time	Assisted in planning for & actual distribution of yard & field signs	2016
Holcomb/Crouch for Indiana	Volunteer time	Planned the Indiana agriculture sector efforts for the campaign	2016
Trump Agriculture Team	Volunteer time	Assisted in placement of yard & field signs. Introduced Mr. Pence in absentia at agriculture event at Republican National Convention.	2016
Mitch Daniels for Indiana	Volunteer time	Phone calling, yard & field sign placement, planning & organizing the Indiana agricultural sector.	2008

(C) Itemize all individual political contributions of \$200 or more that you have made in the past five years to any individual, campaign organization, political party, political action committee, or similar entity. Please list each individual contribution and not the total amount contributed to the person or entity during the year.

<u>Name of Recipient</u>	<u>Amount</u>	<u>Year of Contribution</u>
Holcomb/Crouch for Indiana	\$500	2016
Mike Pence for Indiana	\$500	2016
*Note: I did not record nor do I remember with certainty my political monetary contributions in the past 5 years. I'm 80% confident these two are the total, but am going back to their campaign staffs to doubly ensure of it.		

**7. Publications**

List the titles, publishers and dates of books, articles, reports or other published materials that you have written, including articles published on the Internet.

<u>Title</u>	<u>Publisher</u>	<u>Date(s) of Publication</u>
None. Not applicable.		

**8. Lobbying**

In the past ten years, have you registered as a lobbyist? If so, please indicate the state, federal, or local bodies with which you have registered (e.g., House, Senate, California Secretary of State). -- No. Not applicable.



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**QUESTIONS AND ANSWERS**

SEPTEMBER 19, 2017

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**Senate Committee on Agriculture, Nutrition & Forestry**

To consider the nomination of Steve Censky

To be Deputy Secretary of Agriculture

September 19, 2017

Questions for the Record

**Chairman Pat Roberts (R-KS)**

1. Some Deputy Secretaries have focused on Department-wide program delivery, while others have focused on advancing a policy agenda, such as a vast expansion of Department activity related to “local” foods and farmers markets. In these times of scarce resources, will you work to ensure that the Department’s limited resources are focused on its core missions and responsibilities? Yes, particularly because we must make sure we are getting the most for the taxpayer’s investment in good government. Decisions based on the best available data, analysis and science must be the norm if we are to gain the most from our time and energies in the department.
2. In your testimony you indicated that two out of your four overarching goals were to create jobs and ensure a safe and secure food supply. In addition, you mentioned the more specific goal of supporting the diversification of markets, including local and regional food markets. Recognizing that it takes all types of agriculture to create jobs and ensure a safe and secure food supply, but given the goal of promoting local and regional food markets, will you work equally to support modern, efficient agriculture production? Specifically to local and regional foods, will you support economies of scale in these markets? Will you support policies that allow these markets to scale up in production as the market demands? Yes, we need to be supportive of all production systems to meet consumer demand. The best possible way to approach allowing market influences to work is to reduce regulatory barriers to entry to those markets. If competitive landscapes can be leveled for all participants, then we will certainly see more diversification, specialization and broader consumer choice opportunities. Further, all producers will prosper in more competitive environments.
3. Given the challenges facing agricultural producers, the limited budget resources, complexity of IT systems across the Department, an aging workforce, and changes in the organizational structure, what do you see as the greatest management challenge facing the Department of Agriculture? How will these and other challenges inform your approach to the management of USDA? Our focus needs to be on the customer: listening to them and evaluating how we can provide best customer service with best investment of the taxpayer’s money. IT investments, workforce, and organizational structure should be driven by how best we help USDA customers be successful.
4. Audits by USDA Office of the Inspector General and GAO have documented USDA’s complicated history with “improper payments.” In tight budgetary times, every penny counts, but tracking down errant payments and working to eliminate them does not take place in a vacuum, there are “costs” to consider when seeking the benefits of reduced errant payments. Do you commit to addressing the issue of improper payments, across all programs, in a manner that considers a “cost-benefit” analysis as you oversee management of programs which issue

a considerable volume of payments? If confirmed, I will work to facilitate the best possible accountability systems that measure costs and benefits.

5. We want USDA to operate as efficiently as possible. And, it appears that Secretary Perdue is already at work to find efficiencies across the Department's agencies. In particular, there is concern that field offices, including county offices at the Farm Service Agency, the Natural Resources Conservation Service, and Rural Development, must be accessible and well-staffed to deliver programs to producers and other stakeholders. How will you balance the needs of USDA's rural "customers" with White House priorities, tightening budgets, personnel retirements, and Congressional restrictions on office closures? If confirmed, I will follow the guidance of the Secretary as we ensure that we "Do Right and Feed the World."
6. The Administration recently proposed a reorganization of mission areas and agencies, notably by shifting the Natural Resources Conservation Service (NRCS) under the new Farm Production and Conservation mission area. As the Deputy Secretary, you would be charged with the responsibility of managing the daily operations of the U.S. Department of Agriculture. How do you think this reorganization will improve program delivery, particularly with NRCS? What steps would you take should there be any complications or challenges associated with implementing this reorganization? With this reorganization, the Forest Service now remains a single agency part of the Natural Resources and Environment mission area. How do you think the Forest Service as an agency fits within the U.S. Department of Agriculture's overall mission? Would you support any administrative or legislative attempts to redirect the Forest Service from USDA to an entirely different Federal agency, like the Department of Interior? The goal of any reorganization should be to improve service delivery and gain from efficiencies. In the case of moving NRCS to the production area, the goal is to minimize the number of required interactions for an agricultural customer in the field. We want to provide the highest customer service to our customers. If confirmed as the Deputy Secretary, I will work with the appropriate undersecretaries and staff agencies to ensure that we gain those efficiencies. As the Forest Service oversees some 193 million acres of timber and grasslands—and partners with the private owners of another 500 million acres of timber, the USDA is the only agency that can provide appropriate shared stewardship of these great assets. Lumber and its by-products are crops the same as corn or wheat.
7. Members of the Agriculture Committee have heard concerns from constituents regarding both the President's Budget proposal and the decision related to the position of Undersecretary of Rural Development, about whether rural development is a priority under this Administration. What are your views regarding the programs administered by Rural Development, and all the structural changes that are being implemented at USDA? I support the reorganization as proposed and implemented by Secretary Perdue.
8. The rising use of and addiction to opioids is negatively impacting rural communities throughout the country. USDA has taken steps to provide resources for the treatment of addiction. Do you have any ideas on what more can be done to both prevent and treat the further spread of this epidemic? A better rural economic base will provide more resources and better alternatives to our rural residents. Education, intervention and support of interdiction programs are essential. USDA should be a willing and active partner in these initiatives.

9. Formal rulemaking on the National Bioengineered Food Disclosure Standard has commenced at the Department of Agriculture. Recently, it has come to my attention that USDA may have a different view than was the intent with regard to implementation of this mandatory disclosure standard. This new function was not viewed as a new, costly, programmatic function of the agency as there are appropriate mechanisms in place for enforcement. Will you commit to implementing the biotech disclosure law while being mindful this was not meant to create significant new bureaucracy at USDA? If confirmed, I will work to ensure USDA is supportive of these new initiatives.
  
10. USDA has been working to finalize a proposed rule that pertains to allowing categorical exclusions from National Environmental Policy Act reviews for certain APHIS activities. It is estimated that important animal biologics, such as vaccines, will be available to producers as much as two years sooner if this rule is finalized. Will you commit to prioritizing this rule within the Department, and communicating to OMB the importance of rulemakings such as this that make business less cumbersome and allow for a more nimble response to animal disease threats? If confirmed, I will engage on this matter.



**Ranking Member Debbie Stabenow (D-MI)****Farm Bill**

- (1) During the 2014 Farm Bill, the House of Representatives attempted to split the Farm Bill into 2 parts rather than maintain the long-standing connection between food and farm policy. This ultimately failing strategy was opposed by over 500 farm, food, energy, conservation, nutrition and rural groups. If confirmed, will you oppose any efforts to split the farm bill and, instead, join the broad coalition of Farm Bill groups to support a comprehensive Farm Bill? As the Secretary confirmed during his hearing, "The President of the United States is committed to keeping food and farm policy in the same legislation and will oppose any effort to sever the policy areas." If confirmed, I will support the best possible path forward for American agriculture through the leadership of the Secretary, the President, and Congress.

**Conservation**

- (2) The 2014 Farm Bill created the new Regional Conservation Partnership Program (RCPP) to promote locally-led, partnership-driven conservation efforts and leverage federal funding to address a variety natural resource concerns across the country. In my home state of Michigan, these innovative partnerships have been important to help address issues like water quality in Lake Erie and the Saginaw Bay.

If confirmed, will you be a champion for the Regional Conservation Partnership Program? How will you bolster the partnership model for conservation through the Natural Resources Conservation Service? If confirmed, I intend to support working lands programs, especially those with the skin in the game from stakeholders, like the Regional Conservation Partnership Program.

- (3) Conservation compliance has been a bedrock agreement between farmers and taxpayers since 1985 – for more than 30 years. This agreement was further highlighted by the broad coalition of conservation, crop insurance, and farm groups who supported expanding conservation compliance in the 2014 Farm Bill. In fact, this agreement was critical to ensuring passage of the 2014 Farm Bill. I am concerned about any changes that could be made to this agreement that would go against Congressional intent.

If confirmed, will you commit to protecting conservation compliance in its current form and not rolling back these basic environmental protections that farmers agree to in return for receiving commodity and crop insurance support? Yes, and like Secretary Perdue, I agree that conservation is one of the mechanisms we must use to help keep agriculture sustainable.

- (4) My staff has been working with USDA staff at FSA and with Acting Under Secretary Rob Johansson on a resolution to an ongoing issue involving nearly 1500 Conservation Reserve Program (CRP) contracts in Lenawee County, Michigan. Due to USDA error, many of these contracts are being terminated or modified and many producers have not yet seen an FY16 payment. While I understand some progress has been made by USDA in resolving this issue, there are still many producers who have not yet settled with USDA and remain frustrated with the process. Given that it has been nearly a year since payments were first withheld and that it

took several months for USDA to notify producers that their contracts would be terminated or need to be modified in order to remain in the program, these producers were not able to earn other income off their land through farming or other means. Can you commit to using all tools at your disposal to complete the review of these contracts as soon as possible and, given how long this review has taken, will you commit to issuing all 2016 payments, at a minimum, to the producers who have not yet been paid or agreed to modified contracts? If confirmed, I will look into this matter to better understand and be able to respond to your concerns.

#### **Farm Safety Net**

- (5) Robust risk management protection through Federal Crop Insurance has been a critical part of the safety net for farmers, as was highlighted in a recent letter signed by over 50 organizations. Unfortunately, many producers who grow specialty crops or grow outside the main production areas still do not have crop insurance available. While the addition of a buy-up option under the 2014 Farm Bill's Non-insured Disaster Assistance Program (NAP), has provided improved risk management options for these producers, it does not provide the same risk protection as crop insurance.

If confirmed, do you commit to continuing to expand risk protection and crop insurance options to new areas and commodities? How will you encourage collaboration and regular data-sharing between the Farm Service Agency and the Risk Management Agency and even the public in order to assist in the development of new crop insurance policies? The recent reorganization will help to further bring together USDA's customer service-facing agencies, FSA, RMA and NRCS. If confirmed, I will continue to encourage the development of innovative, privately sponsored crop insurance products.

#### **Budget:**

- (6) The President's budget proposed a 21% cut to USDA this year. If enacted, these cuts could have a profound effect on the state of Michigan. For example, the budget proposes to cut the USDA water infrastructure program which has provided access to fresh water to over 500,000 folks in Michigan since 2009. It would cut \$193 billion out of food assistance, taking food away from seniors, children and families in Michigan and nationwide. Over 500 farm, conservation, nutrition and rural development groups sent a letter arguing against any cuts to Farm Bill programs including against cuts to crop insurance.

Will you advocate strongly to the White House to protect USDA's budget and commit to supporting the programs authorized and appropriated by Congress, especially those critical to supporting rural communities? If confirmed, I will advocate within the Administration for appropriate budgetary considerations that directly impact our nation's farmers and ranchers. I will fully implement the budgetary decisions handed down by Congress.

#### **Management:**

- (7) What are the major management challenges facing USDA in your opinion? How do you intend to address any such challenges? Our greatest management challenge at USDA is customer

service. If confirmed, I will work closely with the Secretary to ensure that his vision and mission is implemented.

- (8) I understand that the Department currently has a Department wide hiring freeze with apparently no currently scheduled end for it. Apparently exceptions can be made to the freeze on some instances through a centrally managed hiring process. I am concerned about this freeze is going to be permanent, that customer service and program delivery will be negatively impacted, and that it doesn't take into account the need for trained and experienced professionals on the ground, working with farmers, rural communities, and other stakeholders.

What is the goal of this hiring freeze and why is it in place? If confirmed will you provide me with comprehensive vacancy rate information for each agency and office across the Department, and how this vacancy rate has changed since the beginning of the calendar year, as well as a list of what agencies and offices are targeted for further reduction and what the overall reduction goals are for each agency and office. Will you also commit to provide a staff briefing so we can better understand the purpose of the freeze and how it is working? I am not aware of a "Department wide hiring freeze". However, if confirmed, I look forward to being fully briefed on the Department's human capital situation and look forward to keeping your office apprised as necessary.

- (9) How will you manage contracting at USDA? What requirements will you put in place to ensure USDA does a quality job entering into and managing contracts? I look forward to reviewing current operating procedures and identifying opportunities to improve internal systems that best utilize our taxpayers' funds.
- (10) What role would you like to see unions play at USDA, and what style or arrangements involving labor and management do you intend to foster? For example, will you foster labor-management partnerships at the USDA or do you believe that other kinds of arrangements would be preferable? What steps would you take to achieve the kind of labor-management relationships you want? Labor relations should be part of a deliberative process where the interests of labor and management are best served. Collective Bargaining Agreements should naturally evolve from the work environment. If confirmed, I will support constructive, mutually supportive arrangements.
- (11) USDA has long struggled to improve its information technology. Will you prioritize improving IT management and the Committee informed of the status of IT at USDA? Yes, doing so will be part of our customer service focus under the Secretary's direction.

**Forestry:**

- (12) Will you commit, if confirmed, to working with OMB, the Interior Department, Congress, and the White House, to enact a comprehensive solution to the Forest Service's wildfire suppression budget issues? Yes, the Secretary has made this a priority and I will be a strong advocate.

- (13) Secretary Zinke has undertaken a review of over two dozen National Monuments proclaimed by previous presidents under the authorities provided in the Antiquities Act. Several of these monuments contain acreage managed by the USDA Forest Service. Senator Bennet and I wrote Secretary Perdue a letter on June 15 asking about USDA's involvement in the review and we have yet to see a response over 3 months later. If confirmed, will you commit to ensuring that I quickly receive a response to that letter? If confirmed, I will investigate.

**Climate Change:**

- (14) Will you commit to this Committee that no career USDA personnel will be dismissed in the future because they participated in research or USDA programs that dealt with climate change issues under the last administration? Of course.
- (15) Many producer groups feel that Secretary Vilsack made a smart move by setting up the USDA climate hubs to help producers adapt their operations to a changing climate.

Will you commit to continuing the USDA's Climate Hubs? As I understand it, there have been no changes at USDA with respect to Climate Hubs and I look forward to supporting policies to programs that help our farmers respond to the impacts of climate changes.

**GMO Labeling:**

- (16) We worked closely together on the development of the GMO disclosure legislation and I appreciated your sincere engagement throughout the process. I know the Secretary is committed to getting this implemented on time, which I appreciate. However, it is just as important to get the policy right, which will require a balance between ensuring consumers have the transparency about their food that they expect with making sure the disclosure is based on sound science. How do we get this rule right? Will you commit to working to crafting a rule consistent with congressional intent for transparency? USDA has already asked and received comments to help draft regulations. I look forward to continued transparency and will do my part to support this approach if confirmed.

**Agricultural Research**

- (17) The U.S. faces economic, social, and environmental challenges that will require strong and innovative systems of food and agricultural science for answers and technology solutions. USDA is the nation's leading funder of agriculture research, education, and extension programs, funding on average \$1.3 billion per year to support the nation's agriculture sector. In 2015, Michigan received a total of \$54 million in competitive agriculture research grants to support Michigan's agriculture economy.

What research priorities regarding food and agriculture should the USDA focus on during the next four years? Given the cuts proposed by President Trump to USDA programs, how will the USDA be able to continue to support critical research on food and agriculture? Will

you commit to supporting agriculture research programs? Sound research, is the future of agriculture in the nation and around the world. An effective research agenda requires us to look over the horizon at the next generation. The 2050 challenge should guide our efforts in funding agricultural research and the priorities we need to establish to meet that challenge.

#### **Scientific Integrity**

- (18) In a January 2017 report, USDA received the highest possible rating for their Scientific Integrity Policy (SIP). In addition to having a top-rated policy on scientific integrity, the Department has taken actions to foster a culture of scientific integrity during the last administration. By articulating the principles of scientific integrity, USDA intends to instill public confidence in its research and science-based public policymaking.

If confirmed as Under Secretary, will you commit to upholding the policies and actions already in place to ensure scientific integrity within the Administration? Will you pledge to continue to publicly share allegations of compromised scientific integrity and research misconduct involving USDA conducted or supported scientific and technological activities, as has been done previously? Yes.

#### **Specialty Crops**

- (19) Michigan's agriculture sector is rich in diversity, from traditional commodities and specialty crops to organics and local food systems, the Michigan agriculture sector contributes over \$101.2 billion annually to the state's economy.

If confirmed, how will you ensure USDA supports all farmers including small and medium scale farmers, specialty crop growers, and organic producers? Will you commit to meeting the unique needs of new and beginning farmers, particularly those in urban areas and those using new and innovative growing methods? If confirmed, I will work to ensure that our programs associated with specialty crops, beginning farmers, organic production and rural-urban interface are supported and operated to maximum efficiency.

#### **Organics**

- (20) Organic agriculture is the fastest growing segment in the U.S. agriculture economy. The organic industry has grown over 200% over since 2007 and now contributes over \$50 billion a year to the national economy.

How do you plan to support organics if confirmed? Will you continue efforts to integrate and offer services to organic producers through the field based agencies like NRCS and FSA? How will you look for new market opportunities and ensure USDA resources are supporting organic agriculture? Will you commit to supporting organic exports and pushing for new international markets? How will you ensure the National Organic Program has adequate resources to enforce the organic label? Will you commit to collecting organic market data information? Will you commit to working with RMA to develop crop insurance tools that work for organic producers? If confirmed, I will work to ensure that organic production has

access to markets and products that will provide the same assurances as other programs already existent in the department. Organic production will continue to grow as an important element in our overall agricultural production portfolio.

### **Civil Rights**

- (21) USDA has a decades-long history of civil rights violations, as reported by GAO. In light of this, Secretary Vilsack made it a priority to build a new era for civil rights at USDA, ensuring that all employees and customers were treated fairly, regardless of their race, color, gender, sexual orientation, national origin, religion, disability, or age. During his tenure, USDA corrected past errors, learned from mistakes, and charted a stronger path forward where all Americans are treated with dignity and respect. This included providing better service to USDA customers, correcting past civil rights mistakes, improving outreach efforts, and cultivating a diverse and inclusive workforce.

If confirmed as Deputy Secretary, do you pledge to continue this progress toward ensuring that all USDA customers and employees are treated with dignity and respect and that such laws are properly followed? Yes. Specifically, will you continue with efforts to promote diversity on Farm Service Agency County Committees and on all USDA commissions and advisory boards? Yes. Will you look at the results of the recent OSC study and work to address the problems noted in that study? I have not been briefed on this study. If confirmed, I will review the study and provide my leadership to continue the improvement in the work atmosphere in the department. Every person employed at USDA should have the knowledge that they work in the best place possible where all are treated fairly and equitably. Will you brief us on your plan to address such problems and provide the Committee with regular updates on your progress in implementing this plan? Yes.

### **Beginning Farmers**

- (22) As the average age of the American farmer is continuing to get older, several new efforts were put in place in the 2014 Farm Bill to support new farmers, including better access to credit, easier land transition, and risk management tools.

What efforts will you take to ensure new farmers and ranchers have access to USDA programs and resources? Will you commit to continuing outreach and interagency coordination to reach new farmers? Will you commit to looking across all USDA programs and sure they are working in collaboration to meet the needs of new farmers? Will you commit to supporting youth programming like FFA, 4-H, and farm to school activities? If confirmed, I will work to coordinate across all agencies and sub-agencies to ensure those programs that support our emerging farmer and rancher operations are supported and sustained.

- (23) Over the past several years, we've seen significant increases in the number of veterans interested in farming and agriculture careers post-military service. The training and experience veterans gain in the military provides important skills that help them transition into new farmers and ranchers.

Will you commit to working to increase opportunities for veterans at the USDA, including keeping the Military Veterans Agriculture Liaison position and expanding that office to include full time employees? The Secretary has already begun efforts to improve our support and outreach to veterans. I look forward to ensuring this is a focus across mission areas and agencies.

#### **Family Safety Net**

- (24) Although we have made progress in reducing food insecurity in the past 8 years, over 42 million Americans, many of whom are children, seniors and veterans, struggle to access adequate food for themselves and their families. Without strong, national nutrition safety net programs the rate of hunger in America would undoubtedly be far worse. The Supplemental Nutrition Assistance Program (SNAP), the National School Breakfast, School Lunch and Summer Meals programs, the Child and Adult Care Food Program (CACFP), the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC), the Emergency Food Assistance Program (TEFAP), the Food Distribution Program on Indian Reservations and the Commodity Supplemental Food Program each play an important role in addressing improving the health and well-being of families and our economy.

If confirmed, will you commit to support full funding for these programs and work with me to protect access to these programs for all individuals in need and prevent structural changes that would reduce the effectiveness of these programs? If confirmed, I will support the guidance offered by Congress, the Secretary and the President of the United States in mitigating food insecurity in America.

#### **Local Foods**

- (25) Industry data shows that local food sales totaled at least \$12 billion in 2014 and are expected to reach over \$20 billion by 2019. Over 160,000 farmers currently sell products into the local food economy both through small scale purchases at farmers and into food hub aggregates for large wholesale purchases. USDA made significant investment in building infrastructure to support the local food economy. Since 2014, Cultivate Michigan's local food report indicated that schools, hospitals, long-term care facilities, early childhood centers, colleges, and other businesses have purchased over \$3.4 million in local foods.

Will you commit to supporting these ongoing economic initiatives that support local food infrastructure and local economic growth and development? Will you commit to keeping the "Know Your Farmer, Know Your Food" USDA working group intact and let them provide advice on local food development? Will you commit to supporting local food business throughout the supply chain, including support for value added agriculture, food retail outlets, and food hubs? What will you do to build, improve, and diversify efforts to ensure that direct marketing opportunities are available to all American farmers? Will you commit to working with RMA to make crop insurance accessible to local food producers? If confirmed, I will support sound production policies that comply with the intent and guidance

provided in legislation and through our rule-making ability in the department. That includes making available safety net programs that are authorized and funded by Congress.

- (26) USDA Food and Nutrition Service has initiated a number of efforts to help small family farms engage in direct marketing by addressing technology barriers that make it difficult for SNAP participants to make purchases at farmers markets, farm-stands, and through community supported agriculture programs.

Will you commit to focusing on these issues to make it easier for direct to consumer sales? What will you do to support efforts that strengthen markets for small farmers? If confirmed, I will work to see what can be done to facilitate easier direct to customer sales for SNAP recipients. If there are more customers, there will be more market space for local and small farmers.

- (27) Urban agriculture is quickly expanding and gaining popularity in communities, small towns, and metropolitans across the United States. Urban agriculture brings farming to urban residents and strengthens connections to rural communities. It also provides economic opportunities, increases access to food, and is a training ground for future farmers.

Will you commit to supporting new farmers, innovative production methods, and all farmers regardless if they are located in urban or rural areas? Yes.

#### **Energy**

- (28) When USDA released the first-ever “Economic Impact Analysis of the U.S. Biobased Products Industry” report, I was thrilled to see what a positive impact this sector was having on our economy, and the updated 2016 report shows that the sector is not just holding strong, but growing. In 2014, the biobased industry contributed \$393 billion and 4.2 million jobs to the American economy. In Michigan, the biobased economy supports over 80,000 jobs and generates over \$6 billion to the economy. Economies supporting agriculture and forestry, biobased chemicals and forest products.

Given your leadership at ASA, can you speak to the importance of the biobased economy to rural communities across the country? If confirmed, will you commit to working with me on expanding/improving these critical energy programs? If confirmed, I will work to ensure that USDA supports programs that are market oriented but do not influence the markets ultimately assisting rural communities.

- (29) Established, authorized, and funded under the Farm Bill, the biobased program at USDA is currently in Departmental Management, seven layers beneath the Secretary. I would like to see the program elevated to increase its effectiveness and capitalize on opportunities to develop market opportunities for agricultural based industrial products. What are your thoughts on the potential to elevate the USDA BioPreferred Program within USDA’s organizational structure? If confirmed, I will take this matter under review and will be happy to report back on what we find.



**Process/Responsiveness to Congress**

- (30) I look forward to having a close working relationship with you, if you are confirmed. The work in this very important area is truly a bipartisan team effort. If confirmed, do you agree without reservation to:
- a. Reply promptly to any request for information from me? Yes.
  - b. Reply promptly to any request from other members of this Committee or other Senators? Yes.
  - c. Respond to my requests for data and technical assistance in drafting legislation? Yes.
  - d. Notify me or my staff in advance of making public any major changes USDA decides to make or major decisions USDA makes during your tenure? Yes.
  - e. Provide to this Committee any reports provided by USDA to the Senate Appropriations Committee or the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Subcommittee? Yes.

**Women in Agriculture:**

- (31) A recent news report includes resumes of 42 USDA political appointees obtained through a FOIA request by American Oversight. A review of those 42 resumes shows that less than 24 percent of these political appointees are women. Thus far none of the eight nominees to Senate confirmed positions at USDA and the Farm Credit Administration have been women. However, women are playing an increasingly prominent role in American agriculture – as farmers, foresters, scientists, conservationists, educators, and agribusiness entrepreneurs. Today, nearly 1 million American women are farmers – including almost one-third of the farmers in my state, Michigan.

Will you continue the Women in Agriculture Initiative at USDA and encourage senior leaders to support this effort and allow their staff to participate? How will you elevate the role of women in agriculture and ensure that the Department reflects the diversity of American agriculture under your leadership? If confirmed, I will work with the Secretary to ensure that leadership opportunities are available for women and will work to continue the Women in Agriculture Initiative at USDA. As a point of interest, it is my understanding that over 50% of the Office of the Secretary staff are women, including half of the senior advisors, the chief of staff and other critical leadership roles including White House Liaison.

**Reorganization**

- (32) The May 11, 2017 Report to Congress (“Report on the Proposed 2017 Reorganization of the Department of Agriculture to Establish an Under Secretary for Trade and Foreign

Agricultural Affairs”), Appendix A, seems to indicate that the seven USDA Under Secretaries will report directly to the Deputy Secretary, not the Secretary. Is this your understanding of the reporting structure at the Department? Will you have any role in overseeing the Assistant to the Secretary for Rural Development? If confirmed, I will review the reporting arrangements and will be happy to report back on my findings. It is my understanding from Secretary Perdue that he expects RD to have walk-in privileges be fully engaged in RD.

- (33) I remain concerned about the elimination of the Under Secretary for Rural Development in the proposed reorganization. I am also keeping a close eye on the consolidation of NRCS and FSA into the same mission area. While I'm all for simplifying and streamlining services, especially those for farmers, I want to make sure that conservation activities remain a priority for this Department.

Will you commit to providing me comprehensive information about the consolidation of NRCS and FSA, including any consolidation of field offices, particularly those in the more remote parts of Michigan? Yes.

Will you ensure that conservation activities continue to be promoted and prioritized by the Department? If so, how? As was stated above, conservation is a critical part of the success of agriculture and I look forward to supporting the programs.

- (34) The Center for Nutrition Policy and Promotion plays an important role in conducting nutrition research and ensuring Americans have access to science-based nutritional information. The recent Departmental reorganization moves CNPP from an independent office within Food Nutrition and Consumer Services into the Food and Nutrition Service. How will you ensure that the integrity of the science-based process and the important mission of CNPP is maintained under this new structure? Secretary Perdue is committed to ensuring scientific integrity. If confirmed, I, too, will be committed to scientific integrity.
- (35) Will you provide quarterly briefings to the Committee on the implementation of all reorganization efforts? If confirmed and following the direction of the Secretary, I will provide regular updates. Rest assured, I am committed to keeping the Committee informed as I work with the Secretary in our ongoing efforts to most effectively serve USDA's customers.

#### **Appropriations**

- (36) If you are confirmed, will you commit to using all appropriated funds as intended by Congress? Yes.

#### **Agricultural Diversity**

- (37) Michigan is the second most diverse agricultural state, growing over 300 different commodities. How will you ensure that that all crops and commodities are treated equitably at USDA? If confirmed, I will ensure that USDA adheres to the guidance found in legislation, administration policy and the rules that exist related to agricultural industries.

**International Food Aid/Food Security**

- (38) Over 800 million people currently do not have enough to eat, and it is estimated that the world will need to feed over 9 billion people by 2050. In your view, what are the greatest challenges to achieving global food security? If you are confirmed, how will you work across the Department to address these challenges? Based on your previous experience as Acting Administrator of the Foreign Agricultural Service, where are some areas where USDA could improve its work to support global food security? Having been away from the department for some time, I will have to familiarize myself with all the programs and then examine what our initiatives might be to meet the 2050 challenge. I am confident that, if confirmed, I will be able to bring my past experiences to the fore in helping facilitate solutions.
- (39) During your time with the American Soybean Association, ASA implemented several Food for Progress projects, including projects in Ghana and Afghanistan. What were some of the lessons learned as an implementer of those projects - what worked well and what did not? If you are confirmed, what ideas do you have for USDA to make Food for Progress a more effective program for both implementing organizations and beneficiaries? By developing soy value chains and incomes, this increased opportunities for trade and U.S. exports. Monetization as an approach to fund USDA Food for Progress as mandated by the Farm Bill can build food security by providing the market with agricultural products (e.g., vegetable oil, cereals, and protein). However, care must be taken not to disrupt existing commercial markets, and opportunities exist to increase efficiencies in the monetization process. Finally, local government and industry buy in and support is vital to sustained success, which will contribute to a growing economy and agricultural sector.
- (40) The President's budget proposed eliminating funding for the McGovern-Dole Food for Education Program. McGovern-Dole fights childhood malnutrition, strengthens food security and community health, and improves literacy and school attendance around the world. Do you support these activities? Do you believe that eliminating funding for this program will support these goals? As you are aware, I was not involved in these budgetary discussions. However, if confirmed, I will review our efforts associated with foreign food aid and look at how it fits with our strategic opportunities in agricultural trade.

**Trade**

- (41) Given your time with the American Soybean Association and the Foreign Agricultural Service, you are well aware of the importance of trade to U.S. agriculture. You also have extensive experience with USDA's export market development programs. The President's FY18 budget proposes eliminating funding for the Market Access Program (MAP) and Foreign Market Development program (FMD). If funding for these programs is eliminated, what effect do you believe this would have on U.S. agricultural exports? If confirmed, I will advocate within the Administration for programs that will enhance our interests around the globe. I will support the policies advanced by the Secretary, the President, and the Congress of the United States.

- (42) As this Administration works to modernize trade agreements like NAFTA and KORUS, I've heard from many producers in Michigan who are nervous about the effects that some of the rhetoric and uncertainty around trade are having on their buyers in other countries. Increasingly, I'm hearing that customers overseas are pursuing shorter contracts or looking to buy from other countries. If you are confirmed, how will you work to preserve and strengthen our existing trade relationships? I commit to seeking out opportunities for our producers to sell their products overseas fairly, and strengthen U.S. relationships with our trading partners.
- (43) While most agricultural stakeholders feel that NAFTA has provided a net benefit to their industry, many specialty crop growers face significant same-season import competition from Mexico. If confirmed, would you support addressing this issue in the context of an updated NAFTA agreement? Would you be in favor of additional USDA support for season extension infrastructure for producers affected by this issue? If confirmed, I will always do what is in the best interest of the American people within the framework provided by the Congress and the Administration.

**Senator John Thune (R-SD)**

- 1) Mr. Censky, with your extensive agriculture policy background you are well aware of the importance of crop insurance to both farmers and ranchers – do you recommend any policy changes to current crop insurance that this committee should consider as we write the next farm bill? Preservation of a strong crop insurance program is critical in reducing risk for producers. If confirmed, I will work with this Committee and the House agriculture committee to find the best, most comprehensive crop insurance programs available.
- 2) Mr. Censky, Given the importance to agriculture and the U.S. economy of international trade, please describe how you would work to preserve existing trade agreements and open up new markets? Trade is an area where many agencies must collaborate to open new markets and to enhance existing ones. To that end, I look forward to being able to facilitate that cooperation across agencies and commodity groups after confirmation.
- 3) Mr. Censky, with more than two decades at American Soybean Association you are well aware of the importance of soybean exports to states like South Dakota, how do you anticipate keeping our export markets not only stable but in a growth mode in light of current domestic supplies? If confirmed, I will endeavor to become a strong advocate for agricultural interests in the greater scheme of trade operations in the United States. There are many agencies involved in US trade and making sure that USDA has a seat—and a voice—in trade arrangements is critical to the sustainment of our industries.
- 4) Mr. Censky, how engaged do you expect USDA and yourself to be in working with House and Senate Agriculture Committees on drafting the next farm bill? If confirmed, I expect that the Secretary will want us to work closely with Congress to produce a strong Farm bill that will strengthen agriculture policy and help our farmers meet demand on feeding the world.
- 5) As you may know, in South Dakota we are doing a lot of innovation with animal biotechnology. Companies are investing in infrastructure to help us expand our domestic production of a number of foods.

This seems to be a great opportunity to drive growth in rural America and build domestic industries that right now are highly dependent on imports. Salmon is a good example; Americans like salmon but we are importing approximately 97 percent of the 350,000 tons of the Atlantic salmon consumed in the U.S. each year.

How do we continue to support and incentivize investments in agricultural innovation in the U.S. and ensure regulatory restrictions do not impede this emerging opportunity for the U.S.? I am hoping that USDA can work more closely in the future with FDA, and EPA too (when appropriate) to expedite the approval process, while protecting American consumers.

I look forward to hearing your thoughts on this subject and hope that you will work with me and other members of this Committee in order to encourage the growth and

development new foods including aquaculture systems in the United States. If confirmed, I will work across USDA and across agencies to expand opportunities for our ranchers and farmers.

**Senator Steve Daines (R-MT)**

- 1) As you well know, we have had a devastating fire season in Montana and across much of the West. While Montana finally received some much needed rain and snow this past weekend, the impacts of this year's fires have been severe. Over 1 million Montana acres have burned, and most tragically, two brave wildland firefighters lost their lives fighting the blazes.

The fire season is a painful reminder of the critical work that needs to be done to ensure that the Forest Service has the tools and flexibilities to actively manage our forests. While we will never be able to eliminate the risk of wildfires, restoring active forest management can play an important role in reducing the severity and frequency of wildfires.

I share the Forest Service's support for ending fire borrowing and creating a smarter way to fund wildfire suppression. But, in addition to that, do you agree that for nearly thirty years forest management has been impeded by chronic litigation from fringe environmental groups and excessive analysis and red tape? Yes.

- 2) What additional tools or changes to federal law are needed to address red tape and fringe litigation so that the Forest Service can increase the pace and scale of forest management? If confirmed, I will work hand in hand with NRE and the Forest Service to seek solutions that will allow us to manage our forests in a responsible, economic and efficient manner. Categorical Exclusions, larger timber sales, better treatment, streamlined NEPA processes and more latitude on relief from rules in the hands of the Secretary should be investigated.

**Senator Sherrod Brown (D-OH)**

- 1) As we discussed when we met last week, the Natural Resources Conservation Service plays an integral role in helping Ohio farmers reduce the runoff that contributes to the harmful algal blooms that plague Lake Erie. I am concerned that by consolidating NRCS and the Farm Services Agency in the same mission area conservation programs may not receive the prioritization they deserve.

And coupled with a hiring freeze reportedly in place at USDA, I am concerned that critical jobs at the state and county level are not being filled. As we talked about last week, if wait times increase at the local FSA or NRCS office, farmers may be less likely to participate in conservation programs, thereby exacerbating water quality issues and undermining longstanding conservation goals.

Can you commit that you will give state level offices the resources they need to implement these programs? If confirmed, I assure you I will work to that end.

- 2) Your testimony touched on how changes in climate are affecting America's farmers, their yields, and their ability to plan long-term. What role do you believe USDA should have in providing farmers with accurate scientific data on the impact climate change will have on crop production? USDA has a responsibility to our producers to make sure they have access to the best science and data available to help mitigate risk in production decisions. If confirmed, I will work to that end.
- 3) In your testimony, you mentioned the importance of research to the future of agriculture.

I agree with this sentiment and think we need to keep a close watch on how much of the research capabilities in agriculture, particularly R&D relating to seeds, is owned by our adversaries. I believe additional oversight of our country's agricultural assets is critical to protecting our nation's food supply. Do you believe that agriculture and food security are important to U.S. national security? In the case of CFIUS reviews of foreign acquisitions of agricultural assets for national security risks, is USDA appropriately included in the process? Yes, I agree that agriculture and food security are important to U.S. national security and if confirmed, will make every effort to have USDA included in the process involving ag assets.

- 4) As we have seen a wave of mergers and consolidation in the seed and crop protection business, I have heard from more and more Ohio corn and soybean farmers concerned about a lack of competition in the industry. They are concerned about the potential for rising input costs and decreased investment in future research and development. If confirmed, what would you do as Deputy Secretary to ensure competition and fairness in the marketplace for farmers who need these inputs to farm? If confirmed, I will support the Secretary in seeking participation in oversight and input into decision making related to agricultural industries in America.



**Senator Amy Klobuchar (D-MN)**

- 1) I have been working on a bill that would strengthen animal disease disaster prevention, surveillance, and response at USDA's Animal and Plant Health Inspection Service and the National Animal Health Laboratory Network. Would additional resources and authorities help the agency to better monitor and respond to diseases like avian influenza? If confirmed, I will look into what additional resources we might need to support your initiatives. We should also consider making a considerable investment in our research efforts to support any program implementation.

**Senator Michael Bennet (D-CO)**

- 1) I appreciate your acknowledgment that we need to address and adapt to climate change for future generations. The USDA has an important role to play in the future, both as a resource to help farmers and ranchers adapt, and as a partner in climate change research and forecasting. In Ft. Collins, Colorado, the USDA's Northern Plains Climate Hub is providing information to farmers and ranchers, to help them make decisions on agricultural investments and insurance.
  - a. What existing USDA programs or partnerships do you think are most important? What additional steps will you take at the USDA, or would you recommend to Congress, to help rural communities become more resilient to climate change? If confirmed, I will look forward to learning about current programs and for opportunities to best service our farmers and ranchers in responsible climate changes and impacts.
  - b. What do you see as the biggest obstacle for farmers and ranchers to adapt to climate change? How will the USDA assist in overcoming this hurdle? I look forward to ensuring our customers have the best science and data available to make farming decisions.
- 2) Climate change will continue to exacerbate the poor condition of our forests in Colorado and across the West. Scientists tell us that climate change not only means higher temperatures and longer fire seasons, but will also affect the distribution of forest pests and the accumulation of dead timber. As you mention in your testimony, National Forests are on the front lines of this change and the USDA has an important role to play.
  - a. Could you expand on how the Forest Service can increase resilience to climate change? How important is it to undertake wildfire mitigation and forest restoration projects to protect downstream communities? If confirmed, we will take a holistic approach to reviewing all of our programs that support our natural resource base and ultimately play a role in climate. I will also consider any steps necessary to mitigate forest fires and potential harmful effects on downstream communities.
  - b. What opportunities are there for the Forest Service to both improve resilience and mitigate climate change through greater carbon storage in National Forests? The simple answer is to plant more trees and manage the current forests better. If confirmed, I will work with the Forest Service to develop sound policies that, through shared stewardship with our state and local partners, we can all benefit from safer, more resilient forests.
- 3) In Colorado, small start-up farms focus on local supply chains. Individuals who are new to farming often start such farms and play a significant role in diversifying rural economies. These new farmers often have an interest in USDA offerings, like conservation programs, but are sometimes at a disadvantage when trying to understand and access them.

- a. What steps will you take to ensure the USDA works better for beginning and small farmers? How important is it that local USDA offices have the staff and resources necessary to provide beginning farmers access to loans, crop insurance and conservation programs? If confirmed, I will work to coordinate across all agencies and sub-agencies to ensure those programs that support our emerging farmer and rancher operations are supported and sustained.
- 4) The USDA's Rural Utilities Service has a significant backlog of eligible infrastructure projects, particularly for water and wastewater infrastructure loans and grants. Last year, all of the water and wastewater projects in Colorado served communities of less than 5,000 people. Yet there is a nearly \$30 million backlog of projects in Colorado alone. As you mentioned in your testimony, access to new technologies like broadband can be transformative. But we also need to maintain and rebuild existing rural infrastructure.
- a. What steps will you take at USDA, or what would you recommend to Congress, to reduce the backlog of rural infrastructure projects waiting for additional investment? If confirmed, I will work closely with the Senior Advisor for RD and look forward to reviewing the proposals of the Rural Prosperity Task Force and identify solutions to help rural communities prosper.

**Senator Kirsten Gillibrand (D-NY)**

**RURAL ECONOMY:**

Like many of the Senators on this Committee, I am concerned that the proposed elimination of the Undersecretary for Rural Development is a sign that this Administration underestimates the problems faced by rural communities.

For a long time, a growing economy meant more Americans earned enough to support a family and that our family farmers could turn their dreams into successful businesses. But over the last few decades, something has changed.

As agribusiness has gotten bigger, the number of farms has gotten smaller and now, only 6 percent of rural Americans earn their living on the farm.

In towns and cities all over New York State and all around the country, factories have shut their doors without regard for what happens to their workers – or the places they live – after they close.

We need a national effort to meet this national crisis. USDA can and must play a leading role in that effort.

**Question 1**

Many of our small towns and rural areas want to revitalize their local economies, but they don't have the resources needed to do it. How can USDA make it easier for communities, particularly ones that lack capacity, to access the assistance they need to rebuild their economy? I think a number of USDA's customer-facing programs help build capacity in local communities. Our cost share and grant programs are investments in small towns where agriculture is the lifeline.

**Question 2**

I was very disappointed that President Trump proposed the elimination of vital USDA programs that support our rural entrepreneurs. Can you please tell us your opinion on the President's proposal to eliminate every rural business loan and grant program? If confirmed, I will support the Secretary, the president and Congress to find ways to effectively support rural entrepreneurs and look forward to recommendations from the Rural Prosperity Task Force.

**Question 3**

Given that one of the primary roles of the Deputy Secretary is to coordinate communication between USDA and the White House, how would you anticipate addressing the diverse concerns of rural communities – beyond agriculture – with other Deputy Secretaries and within the Agency given the absence of an Undersecretary for Rural Development? My understanding is that the Assistant Secretary for Rural Development is engaged on a broad array of issues from the Rural Prosperity Task Force to opioid reduction to infrastructure funding and look forward to supporting Secretary Perdue and Ms. Hazlett's efforts.

**BROADBAND:**

We know that access to high-speed internet is essential to success in our digital economy.

Without access to high-quality, affordable broadband service, workers have fewer opportunities for good-paying jobs, farmers and business owners are isolated from new markets, children miss out on educational opportunities, and health care providers lack access to the best technology available to help patients.

Local leaders tell me every chance they get how they need more resources to bring broadband to the highest-cost and hardest to serve parts of their communities.

I have introduced bipartisan legislation with Senator Capito that would make grant funding available for rural broadband projects in high-need areas to be awarded in combination with the current loan funding available through USDA's Rural Utilities Service.

Question 1

Can you please tell the Committee your thoughts on how best to achieve universal access to high-speed internet? Secretary Perdue has also said e-connectivity is critical to rural prosperity. I look forward to working with you and him on this effort.

Question 2

Will you commit to working with me to improve the Farm Bill so expanded grant funding is made available to connect all Americans to the digital economy? Yes.

**Senator Robert P. Casey, Jr. (D-PA)**

- 1) I have been informed that the Farm Service Agency, through the Conservation Reserve Enhancement Program, may have set aside a \$20 million funding allocation from the Commodity Credit Corporation for riparian buffer work in the Chesapeake Bay watershed. Pennsylvania's farmers want to install conservation practices that will lead to cleaner local watersheds and help restore the health of the Chesapeake Bay, but they need help. This set aside would provide assistance that is badly needed throughout the watershed.
  - a. If confirmed, will you look into the status of these funds and report back to me?  
Yes.
  - b. If confirmed, will you work to ensure that this funding is promptly applied? Yes.
- 2) USDA's conservation programs are routinely oversubscribed. Given the significant reductions in nutrient and sediment runoff expected of farmers in Pennsylvania, throughout the Chesapeake Bay, and throughout the country, it is of great importance that our conservation dollars are allocated in a manner that will achieve significant outcomes.
  - a. If confirmed, what steps will you take to ensure that USDA staff and resources are effectively allocated in a manner that will lead to improved environmental outcomes that put Pennsylvania on the path toward meeting the state's agricultural nutrient and sediment reduction goals? It's important to be a resource and partner with state and local partners and I will work tirelessly to enhance these partnerships.
  - b. What role should USDA play in ensuring that streams are removed from the 303(d) impaired waters list? USDA should be engaged in this interagency process and voice our opinions. If confirmed, I would look forward to working with you and other committee members in seeking positive outcomes.
- 3) Nutrition programs provide a critical safety net to the most vulnerable in our society. According to the Center on Budget and Policy Priorities, SNAP helps 1 in 12 workers in Pennsylvania put food on the table. In addition, USDA reported that in 2015 in Pennsylvania: 39 percent of SNAP households included children, 23 percent of SNAP households included elderly individuals and 29 percent of SNAP households included non-elderly individuals with disabilities.
  - a. If confirmed, what steps will you take to ensure that domestic nutrition programs are effectively aiding the most vulnerable in our society? If confirmed, I will support the programs and initiatives to help ensure USDA effectively administers our nutrition programs to the most vulnerable.
  - b. What are your top nutrition priorities? If confirmed, ensuring that resources are directed to the most vulnerable as well as a strong accountability for delivering those resources would be a priority.

- c. Will you implement nutrition programs as directed by Congress? If confirmed, I will support the Secretary, the President and the Congress of the United States in implementing programs assigned to USDA.
- 4) Secretary Perdue announced on May 1, 2017, that USDA would provide flexibility for school nutrition standards with regards to sodium, whole grains and one percent flavored milk. It is important that students have access and exposure to a wide variety of healthy foods at school and that schools provide support and education to students about healthy eating habits.
  - a. How will USDA provide support and guidance to schools so that schools can move forward with strong nutrition standards? We need to listen to local partners and make decisions based on science.
  - b. How will USDA encourage schools to take creative approaches to introducing students to healthy food? I will need to gather more information on this topic and will be happy to report to you my findings.
  - c. If confirmed, will you maintain strong nutrition standards for child nutrition programs? Yes.
- 5) As noted in your testimony, the issue of climate change, resiliency and adaption is critical for farmers, ranchers and foresters.
  - a. If confirmed, how you intend to address climate change? If confirmed, I will look forward to learning about current programs and for opportunities to best service our farmers and ranchers in responsible climate changes and impacts.
  - b. The previous Administration took some steps to provide climate change adaption and resiliency, such as through the creation of Climate Hubs. Will you continue Climate Hubs? As I understand it, there have been no changes at USDA with respect to Climate Hubs and I look forward to supporting policies to programs that help our farmers respond to the impacts of climate changes.
  - c. How will USDA provide support to farmers on this issue? If confirmed, I will work tirelessly to make sure that farmers and ranchers have the best available data and science upon which they can make informed decisions.

**Senate Committee on Agriculture, Nutrition & Forestry**

To consider the nomination of Ted McKinney

To be Under Secretary of Agriculture for Trade and Foreign Agricultural Affairs

September 19, 2017

Questions for the Record

**Chairman Roberts (R-KS)**

1. As you know, current Farm Bill programs, including export promotion programs implemented through the Foreign Agricultural Service, like the Market Access Program and the Foreign Market Development program, expire at the end of 2018. The Agriculture Committees and others in the industry are focused on hearings and other efforts in preparation for writing the next Farm Bill, which will include funding for existing programs. If confirmed, what role do you envision for the Trade and Foreign Agricultural Affairs mission area throughout the Farm Bill process? The role of the Under Secretary for Trade and Foreign Agricultural Affairs should be to help facilitate the development of USDA positions on trade and market access for the Secretary so that the department can send to Congress and the White House the best possible policy options for consideration.
2. Decisions based on reputable science offer predictability and provide certainty, but everyone doesn't seem to share this perspective. For example, across the world, international organizations and various individual countries have made policy recommendations and passed laws regarding certain types of foods they view as unhealthy. The World Health Organization has proposed a tax on sugary drinks and their research agency, the International Agency for Research on Cancer, classified red and processed meat as probably carcinogenic and carcinogenic, respectively. In addition, past Foreign Animal Disease outbreaks like High Path Avian Influenza, or BSE, have caused disruptions to trade. In the role of Under Secretary for Trade and Foreign Agricultural Affairs, how will you work with other U.S. government agencies and how will USDA work with foreign and international entities to ensure that policy recommendations and laws be science-based? If confirmed, I will facilitate an aggressive interagency process so that all decisions are based on the best data and science available. Through our international trade operations and our research/science collaborations, the department should be able to advance evidence that will allow for a level playing field for American trade.
3. Because the United States has been able to produce an abundant and affordable food supply, we have for decades been in a position to help those around the globe that are in need through foreign assistance and international agriculture development programs like Food for Peace, Food for Progress, and McGovern-Dole. U.S. in-kind commodities, and technical assistance provided through the Foreign Agricultural Service, are critical components of these programs. As the Under Secretary for Trade and Foreign Agricultural Affairs, how do you view the role of USDA in foreign aid programs? If confirmed, I will help lead USDA's efforts in advancing the best interests of the United States in alignment with direction received from the Secretary, the President and the Congress of the United States.



4. The U.S. Commerce Department and U.S. Trade Representative have already engaged China through the 100-Day Action Plan and through the Comprehensive Economic Dialogue. What can you do as Under Secretary to augment their efforts and help accelerate approval by China of pending biotechnology traits? What else should the United States do to improve its access to timely domestic introduction of innovation and foreign markets for U.S. biotech commodities? Trade is a team sport and as a member of that team, if confirmed, I intend to advance the interests of our agricultural producers through a robust and aggressive interagency process. Facilitation of such actions is critical and the new role of Under Secretary for Trade and Foreign Agricultural Services will be critical in our trade success.
5. The current Administration has placed much of the focus on international trade on non-agricultural products like steel. Agricultural exports generated an export value of \$133 billion in 2015. Export markets are critical to the agriculture industry. How will you ensure that the value of agricultural trade is understood and prioritized in this Administration? In addition, as the Administration pursues potential trade remedies, how will you work with other agencies and the White House to make sure that consequences that could negatively impact agriculture, such as retaliation, are strongly considered? The role of any undersecretary is to provide the department principal with the best available data and information so that the interagency process, particularly at the cabinet level, is comprehensive. If confirmed, I will ensure that Secretary Perdue to advance the best interests of our agricultural community in relation to trade, either through bi-lateral or multi-lateral arrangements.
6. As part of Secretary Perdue's ongoing efforts to reorganize USDA, plans were recently announced to shift the U.S. Codex Office from the Food Safety Inspection Service (FSIS) to the Trade and Foreign Agricultural Affairs mission area. Some agriculture stakeholders have claimed this move could place trade goals above important food safety measures, and could bring about negative consequences for the U.S. in setting international standards that are grounded in science. How do you envision overseeing the responsibilities of Codex in a manner that assists in facilitating international trade yet maintains science-based standards for food safety? If confirmed, I will ensure that the best science and data inform our decisions about trade and other factors associated with the new undersecretary position. Following Secretary Perdue's lead, there is no substitute for sound science, and I fully intend to follow his guidance.
7. Agriculture trade is growing, both in volume and complexity. In addition to the pursuit of new trade agreements, and renegotiating old agreements, the agriculture industry is facing more and more non-tariff barriers preventing farmers and ranchers from competing in the global market place. This is why an Under Secretary position that focuses on trade was established in the last Farm Bill. If confirmed, you will be overseeing many of the changes at USDA that result from this new position. What do you see as the most significant challenges in agricultural trade, and what do you believe should be the top trade priorities for USDA? It is my understanding that the Department is conducting a review to identify trade priorities and recommendations for an organized and unified strategy. I look forward to reviewing those priorities internally and with stakeholders and Congress.

**Ranking Member Debbie Stabenow (D-MI)**

**Budget**

1. The 2014 Farm Bill directed USDA to create the Under Secretary for Trade and Foreign Agricultural Affairs in recognition of the importance of agricultural exports to the farm economy and the economy as a whole. However, the President's budget proposal for FY18 recommends significant cuts to the Foreign Agricultural Service - the only agency within your mission area.
  - a. The President's budget recommended eliminating funding for export market development programs such as the Market Access Program (MAP) and Foreign Market Development (FMD) program. In your testimony, you emphasized your support for the mission of linking U.S. agriculture to the world to enhance export opportunities and global food security. Do you believe that eliminating funding for these export programs will support this goal? If confirmed, I will work tirelessly to advocate for programs that will advance and enhance our interests around the globe. I will support the policies advanced by the Secretary, the President and the Congress of the United States.
  - b. The President's budget recommended eliminating funding for the McGovern-Dole Food for Education Program. McGovern-Dole fights childhood malnutrition, strengthens food security and community health, and improves literacy and school attendance around the world. Do you support these activities? Do you believe that eliminating funding for this program will support these goals? As you are aware, I was not involved in these early administration decisions. If confirmed, I will review our efforts associated with foreign food aid and look at how it fits with our strategic opportunities in agricultural trade.
2. If you are confirmed, will you commit to using all appropriated funds in a timely manner, and spending all funds as intended by Congress? Yes.

**Reorganization**

3. The Secretary's May 11, 2017 Memorandum on "Advancing U.S. Agricultural Trade and Improving Service to Agricultural Producers" ordered the establishment of the new Under Secretary for Trade position, created a new Inter-Agency Trade Policy Committee, and directed the Administrator of the Foreign Agricultural Service to review existing USDA trade policy coordination procedures and submit a report to the Secretary on actions to improve coordination within 60 days.

- a. What is the role of this inter-Agency Trade Policy Committee and who participates in the Committee? How does it differ from the existing Intra-Departmental Coordination Committee on International Affairs, and will this new Committee be replacing it? If confirmed, I will be able to fully address this question after I have had a chance to review the intentions and actions of the new structure. I will be happy to report back to you on my findings.
  - b. Will you commit your staff to regularly briefing the Committee on trade policy efforts, including the actions of the Inter-Agency Trade Policy Committee? Yes.
4. As part of the Secretary's recently announced reorganization efforts, the U.S. Codex Office will be moved from the Food Safety mission area to the newly created Trade and Foreign Agricultural Affairs mission area.

What role will you have in shaping U.S. Codex policy? How will you ensure the U.S. maintains its credibility in putting forth science-based policies once this office is no longer housed at a scientific agency? Will you commit that U.S. delegates to the Codex Alimentarius Commission will continue to be technical experts? The role of sound, credible science cannot be overstated. The US Codex operations should have my full support in maintaining its independence in providing the best possible science and technical assistance to the department. If confirmed, I will ensure the independence of this office.

#### **SPS/TBT**

5. In creating the Under Secretary for Trade position, the 2014 Farm Bill directed the Secretary of Agriculture to consider how the Under Secretary would serve as a multi-agency coordinator of sanitary and phytosanitary issues and nontariff trade barriers.
- Please describe in detail your plan for coordination with the Department's regulatory agencies that deal with SPS and nontariff trade barriers, including which specific agencies you will engage and in what capacity. If confirmed, I will work to establish strong working relationships with other undersecretaries and sub-cabinet organizations to ensure that we have a deliberate, comprehensive approach to intra-agency coordination on relevant issues to trade. This process is critical in ensuring that we are using the best science and data to inform our decisions.
6. While it is important to address unscientific barriers that other countries use to block our agricultural exports, it is absolutely critical that we also ensure human, plant, and animal health here at home. For example, recent concerns about imported beef from Brazil have underscored the importance of ensuring that imports are safe.

In coordinating with the Department's regulatory agencies, how will you ensure that these agencies retain their scientific integrity and independence when it comes to matters related to international trade? If confirmed, I commit to ensuring that sound science and data inform all decisions and policy implementations.

### **Organics**

7. The Foreign Agricultural Service plays an important role in promoting export opportunities for U.S. organic products overseas and in developing organic equivalency agreements with other countries. However, recent news reports have highlighted imports of grain that had been fraudulently labeled as organic.

How will you work with the National Organic Program to ensure the integrity of organic imports and maintain consumer confidence in the USDA Certified Organic label? I will work closely with the Under Secretary of MRP to better understand our opportunities and challenges to ensure the integrity of organic imports.

### **Cuba**

8. America's agriculture sector strongly supported the previous Administration's policy shift on Cuba.

What are your views on expanding agricultural trade opportunities in Cuba? Will you protect the gains America's farmers and ranchers have made in pushing the last administration to improve trade with Cuba, including the Memoranda of Understanding signed by the U.S. and Cuba in 2016 and 2017 regarding agriculture and animal and plant health? Will you commit to working closely with this Committee and the U.S. agriculture sector to make exporting our goods to Cuba easier and more profitable for American agriculture? If confirmed, I will do all I can to advance the interests of our American producers within the policy framework established by the Administration and the Congress. I look forward to working with the Members of this Committee specifically on all matters related to U.S. agricultural trade.

### **Trade Agreements**

9. As this Administration works to modernize trade agreements such as NAFTA and KORUS, I've heard from many producers in Michigan who are nervous about the effects that some of the rhetoric and uncertainty around trade agreements are having on their buyers. Increasingly, I'm hearing that customers are pursuing shorter contracts or looking to buy from other countries.

If you are confirmed, how will you work to prevent this uncertainty? How will you work to preserve and strengthen our existing trade relationships? As is true in all business operations, the more information one has, the more likely one is able to manage risk. If confirmed, I will make sure that our operations and intentions are as transparent as possible and that we seek, and include, stakeholder input in the development of trade policy. Within the policy architecture arrived at by the administration and Congress, I will fulfill my duties through the actions of USDA.

10. In negotiations with our trading partners, it's often the case that the interests of one agricultural commodity or region are pitted against the needs of another.

If you are confirmed, how will you balance and prioritize the trade interests of different commodities? If confirmed, I will most certainly do what is in the best interest of all producers within the framework provided by the Congress and the Administration.

#### **Dairy**

11. In May, Chairman Roberts and I wrote a letter to Secretary Perdue and Ambassador Lighthizer urging them to engage with their counterparts in Canada about Canada's National Ingredient Strategy for dairy, which is displacing U.S. exports of ultra-filtered milk. I remain concerned about this policy change and the further impact it could have on world prices and U.S. producers.

If you are confirmed, will you commit to work with USTR to resolve these concerns about Canada's changes to their dairy pricing policies? Yes.

#### **Specialty Crops**

12. Michigan is the second most diverse agricultural state, growing over 300 different commodities. Many of these crops – especially fruits, vegetables, and other specialty crops – are increasingly facing unscientific SPS and other technical barriers to trade. For example, cherry and hop growers have faced prohibitive maximum residue limits that limit their ability to export to certain markets while also effectively managing invasive pests and disease.

How will you balance fighting for trade for all crops, including specialty crops? Will you commit to working with Michigan's specialty crop industries to address these trade barriers? If confirmed, I will do all I can to advance and advocate for all agricultural producers in the United States. The department will always use the best available data and science to inform our decisions and policies.

**Cherries**

13. Agricultural trade is not only about supporting exports to customers overseas. Many farmers also face challenges with unfair competition from imports. For example, the U.S. was a net exporter of cherries until 2002, but a flood of cheap imports from Turkey, Poland, and Hungary in recent years is now threatening to put U.S. producers out of business.

If confirmed, will you commit to working with me and meeting with representatives of Michigan's cherry industry to examine all options to address these issues? Yes.

**Asparagus**

14. Michigan asparagus growers have been struggling with dumping from Mexico and Peru for several years. Michigan ranks #2 in asparagus production, but imports of fresh asparagus tripled between 1990 and 2010, while acres of asparagus planted in Michigan shrank by more than half over the same period.

If confirmed, will you commit to working with me and meeting with representatives of Michigan's asparagus industry to examine all options to address this issue? Yes.

**CFIUS**

15. I am concerned by increasing consolidation within the agricultural sector and foreign acquisitions of U.S. agricultural companies, especially when these transactions are linked to foreign state-owned enterprises. That is why Senator Grassley and I introduced the *Food Security is National Security Act*, which would give the Secretary of Agriculture and Secretary of Health and Human Services permanent seats on the Committee on Foreign Investment in the United States (CFIUS).

If confirmed, will you make a priority of monitoring foreign acquisitions and mergers in the agriculture sector, especially those connected to state-owned enterprises? Do you support making the Secretary of Agriculture a permanent member of CFIUS? Yes on the first question and if confirmed, I will support the will and intention of Congress.

**Emerging Markets**

16. Today, over one-fifth of our agricultural exports go to customers in emerging economies. These markets are expected to grow rapidly in coming years, and will likely play an increasingly important role for U.S. agriculture.

Are there emerging markets that you see as particularly important opportunities for U.S. agriculture? If confirmed, how will you support U.S. agriculture in developing these

markets? If confirmed, I will undertake a complete review of all agricultural market operations and will then help prioritize our marketing and trade efforts through departmental processes.

#### **Global Food Security**

17. Over 800 million people currently do not have enough to eat, and it is estimated that the world will need to feed over 9 billion people by 2050.

In your view, what are the greatest challenges to achieving global food security? If confirmed, how will you address these challenges within the Trade and Foreign Agricultural Affairs mission area? Tackling food insecurity will require inter- and transdisciplinary research and analysis so that the United States can make wise investments that will have long term benefits. There are no silver bullets. I'll quote Secretary Perdue, "We've got a hungry world out there. We've got to be more innovative and more creative than we've been in the past."

18. Last year, the Global Food Security Act was signed into law with broad bipartisan support, codifying a "whole-of-government" approach to fighting hunger and strengthening global food security. USDA plays a critical role in this strategy through its international food assistance, capacity building and development programs, research, information sharing, and technical expertise. Many of these responsibilities will fall within the new Trade and Foreign Agricultural Affairs mission area.

If confirmed, will you advocate for USDA to play a strong role in supporting the U.S. government's global food security strategy, and will you commit the staff and resources necessary to ensure that USDA continues its important role in fighting global hunger?

Will you commit your staff to regularly briefing the Committee on activities within your mission area that are supporting this whole-of-government food security strategy? Yes.

#### **Food Aid**

19. An August 2017 report from the Government Accountability Office found lower than expected commodity prices 12 percent of the time for key commodities in countries that received U.S. commodity assistance in 2015 and 2016. USAID recently began requiring implementing partners for emergency Food for Peace projects to monitor for negative market effects, but USDA has not required such monitoring for Food for Progress or McGovern-Dole projects.

How will you better ensure that the U.S. commodities provided through USDA food aid programs are not negatively affecting production or markets in recipient countries? USDA

has internal controls in place to assess market impacts in countries prior to monetizing commodities. If confirmed, I will ensure that these robust controls remain in place.

#### **International Extension/Capacity Building**

20. As a graduate of Purdue University, I'm sure you know that America's land-grant institutions have a long and proud history of conducting cutting-edge agricultural research, providing technical assistance through cooperative extension, and developing new technologies that help farmers both here in the U.S. and around the world.

If confirmed, how will you work to better share the expertise of USDA and U.S. agricultural researchers and extension professionals to improve food security, strengthen agricultural sectors, and build capacity in developing nations? If confirmed, I will ensure that I have a great working relationship with the Under Secretary for Research, Education and Economics.

21. Last year, I asked Secretary Vilsack about the African Growth and Opportunity Act (AGOA) amendment I co-authored with Chairman Roberts to expand USDA's role in trade capacity building, with a focus on women smallholder farmers. Although the primary authority to implement this amendment was delegated to USAID, Secretary Vilsack assured me that USDA collaborates closely with USAID in implementing AGOA and that the role of women in agriculture, both domestically and abroad, is a priority at USDA.

How will you ensure that promoting the role of women in agriculture, both domestically and around the world, will remain a priority under your leadership? How will you collaborate with USAID in the implementation of AGOA? Will you commit your staff to regularly updating the Committee on progress being made in implementation? Promoting the role of women in agriculture, both domestically and abroad will remain a priority at USDA. If confirmed, I will continue to leverage USDA's assets and resources to promote the role of women in agriculture by highlighting the historic contributions of women in agriculture and raising awareness about the inequalities female farmers face throughout the world.

Regarding AGOA, I will continue coordination and collaboration efforts with USAID and will welcome the opportunity to update the committee on progress being made in implementation of AGOA.

#### **Climate Change**

22. According to the World Food Program, "among the most significant impacts of climate change is the potential increase of food security and malnutrition."

Do you agree? How will you address the potential impacts of climate change through USDA's international food aid and agricultural development programs? There is not a single



day that agricultural producers can avoid thinking about the variability of the climate. To that end, our farmers and ranchers need the best data and science to help them make sound decisions about their products. As the Under Secretary of Trade I can help inform stakeholders on best research available in this area.

23. Currently, both the McGovern-Dole Food for Education and Food for Progress programs prioritize applications for projects that will implement climate-smart solutions.

Will you commit to continuing this priority for climate-smart solutions within these programs? Should I be confirmed, I look forward to review and better understand how projects are awarded and prioritized.

#### **Ethics**

24. According to public disclosures, your son, Bradley McKinney, is a food and agriculture lobbyist employed by Michael Torrey Associates. Please describe in detail how you will avoid conflicts of interest with your son's position, including how you will avoid the appearance of a loss of impartiality as outlined in 5 CFR 2635.502. I have discussed this relationship at length with the USDA Ethics officer and also shared the relationship/situation in all proper forms that were submitted to the Office of Government Ethics during the nomination process. I have signed an Ethics Agreement stating that I will not interface with my son or his colleagues on any matter concerning either USDA or their clients' issues. Further, I do not know the firm's clients nor do I seek to know them, thus ensuring one more degree of separation. Further, my first meeting after final confirmation, should confirmation occur, will be another meeting with the Ethics Officer, just to ensure compliance at the highest level. I should add that I have practiced these very conditions for the past four years while in my position as Director of the Indiana State Department of Agriculture. It is an agreement that my son and I both sought and have practiced, and proudly.

#### **Communications with Congress**

25. If you are confirmed, I look forward to working very closely with you on the upcoming Farm Bill and other issues of importance to American farmers, ranchers, and families. If confirmed, do you agree, without reservation, to:
- a. Promptly reply to any request for information from me or any duly constituted committee of the Congress? Yes.
  - b. Respond to my requests for data and technical assistance in drafting legislation? Yes.

- c. Notify me or my staff in advance of making public any major changes USDA decides to make or major decisions USDA makes during your tenure? Yes.
- d. Provide to this Committee any reports provided by USDA to the Senate Appropriations Committee or the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Subcommittee? Yes.

**Senator John Thune (R-SD)**

1. Mr. McKinney - Given the importance to agriculture and the U.S. economy of international trade, please describe how you would work to preserve existing trade agreements and open up new markets? If confirmed, I will undertake a complete review of current department trade operations and will then align the staff and our initiatives to achieve the greatest impact in our trade arrangements. Trade is a team sport so I will work across the department and with other agencies to advance the best interests of our agriculture community.
2. Mr. McKinney, in your testimony you mention NAFTA, China, Japan, Korea, Taiwan, EU, Latin American and others as your priorities. These are all not only my priorities in the trade arena but the priorities of South Dakota agriculture as well. What do you see as your role in strengthening trade with these countries, especially agricultural trade? If confirmed, and as the first Under Secretary whose mission is solely dedicated to Trade and Foreign Agricultural Affairs, I will be the strongest voice for our nation's agricultural interests in the greater scheme of trade operations.
3. Mr. McKinney, the EU has been using its Free Trade Agreements to erect de facto nontariff barriers to our ag exports by misusing geographical indications. It's now intent on doing that in its FTAs with Japan and Mexico too, despite the fact that those are 2 of our largest export markets. Restrictions in those markets on the products we make and have the right today to sell there would be unacceptable.

How will you work within USDA, together with USTR, Commerce and USPTO to prevent those types of unfounded barriers to trade and ensure that our trading partners know there will be consequences if they choose to block our products simply to curry favor with the EU? If confirmed, I will ensure that USDA has a strong voice in the interagency process so that we can all advance the best interests of the American people and our agricultural producers.

**Senator Steve Daines (R-MT)**

1. With 95% of the world's consumers outside our borders, the importance of trade and the ability to access foreign markets for long term growth in ag cannot be overstated. Vast amounts of Montana wheat, beef, barley, pulse crops, and other commodities are exported every year and help improve prices, create jobs, and grow Montana's economy.

As you know, pursuing trade agreements and reducing trade barriers are not simple endeavors and can oftentimes take years to complete and consume substantial bandwidth within an administration. While improving and modernizing existing agreements is important, we need to be careful that doing so does not impede our ability to pursue new markets.

Will you commit to ensuring that pursuing new trade agreements and markets will be a priority for USDA, not just modernizing existing ones? Yes.

Will you commit to fighting to ensure that any trade agreement pursued or renegotiated by this administration will place ag in a better, or at least no worse off, position than in existing agreements or prior proposals? Yes.

**Senator Sherrod Brown (D-OH)**

1. The McGovern-Dole Food for Education program – which you would oversee – helped feed an estimated 1.2 million children last year, and more than 2.7 million in recent years. The program serves a dual purpose: it fights food insecurity while encouraging more children to go to school.

We know this program has led to measured increases in school enrollment and school attendance, and has increased the number of girls going to school. We know this program is leads to better educational outcomes for participating students, which in turn leads to greater national economic productivity for countries and better health outcomes for families. We know these programs, delivering bags of U.S. produced food with the message “From the American People,” build good will in countries around the world.

Congress knows this program furthers U.S. national security, which is why it enjoys strong bipartisan support. The Trump Administration has proposed eliminating it. In your testimony on Tuesday, you described yourself as a “deep believer” in food aid programs. Will you work with this committee to protect the McGovern Dole program as we craft the next Farm Bill? If confirmed, I will ensure that the strongest case is made in our processes to advance the best interests of our agricultural producers across this nation. When policies are decided, I will then do all I can to make sure those policies are fully implemented.

2. We know that programs like the Market Access Program help Ohio farmers identify and increase their exports to new markets. As we work on the next Farm Bill, how can we improve current USDA programs to help American farmers grow their exports? What do you view as the biggest obstacles to expanded exports? The Secretary has taken an important step in creating the Under Secretary position. My job will be to wake up each day focused on exactly what you ask – how to help the American farmer grow exports. We need to open more free trade and expand markets.

**Senator Michael Bennet (D-CO)**

1. I appreciate your commitment to coordinate across the Administration to strengthen agricultural trade. As you know, Colorado's farmers and ranchers continue to look at expanding foreign markets to identify new opportunities.
  - a. As the first Under Secretary for Trade, what is your understanding of your role and responsibilities during the ongoing NAFTA renegotiation? If confirmed, I will follow the law and the guidance of the Secretary in addressing my role as the new Undersecretary for Trade. As such, I will advocate for our agricultural producers in all interactions of the interagency process.
  - b. As you probably know, if we can't keep certain products, like beef, physically moving across our borders, then farmers and ranchers are often the first to pay the price. How can the USDA ensure that farmers and ranchers are not hurt during trade negotiations? The best guarantee of keeping things moving is to make sure that agriculture has a seat—and a voice—at the table during interagency processes associated with trade. If confirmed, I will do my part to ensure that seat and voice are strongly advanced.
2. For years, we have been working with potato growers across Colorado to make sure they have fair access to the Mexican market. Despite Mexico reopening their markets to U.S. potatoes in 2014, potato exports are still limited to a small border zone. During NAFTA renegotiation, I worry this issue could be relegated to the backburner.
  - a. Will you continue to work on this issue with Colorado potato growers and their partners, and devote sufficient USDA resources, to resolve this issue positively?  
Yes.

**Senator Kirsten Gillibrand (D-NY)**

**DAIRY:**

Dairy is incredibly important to the farm economy in New York.

Changes recently made by Canada to their dairy policy have effectively shut the door to American exports of ultra-filtered milk.

This has forced tens of millions of pounds of milk back into Market Orders that are already full – contributing to low prices and milk dumping.

1. How would you propose to reopen this export channel, help our producers out of this slump, and keep it open to prevent additional price shocks? It is my understanding USTR is considering remedies both in NAFTA and in the WTO. If confirmed, I look forward to advocating for U.S. dairy farmers.
2. I know that you are familiar with the way British Columbia is excluding U.S. wines from their grocery store shelves and am pleased that USTR brought this issue to the WTO after years of failing to take action against Canada's exclusionary ag policies because they were based on 'Provincial policies'. Do you think it is appropriate for USTR to challenge Canadian policies that exclude American agricultural products even if their justification is based on Provincial rather than Federal statute? If confirmed, I will be a strong voice for free and fair trade. I know U.S. products can compete all over the world in an open system.
3. Would you support taking this type of action on behalf of dairy producers? Yes.

**WINE:**

Our New York wineries produce some excellent wines but unfortunately, we cannot share them with our Canadian visitors as much as they would like.

Ontario border levies and taxes nearly double the cost of a bottle of New York wine that a Canadian might take home after visiting our wineries.

1. What would you do to fix this policy? How would you work with USTR, State Department, and other Agencies to make our treatment more equitable? If confirmed, I will fulfill my role as a strong voice in advancing agricultural interests in our interagency actions associated with trade.

**FOOD SAFETY:**

Your nomination is for a new Undersecretary position, one tasked with improving agricultural trade and developing new markets.

I don't need to remind you that trade is a two-way street.

In your testimony you note that the Codex Alimentarius has been used to raise a number of sanitary and phytosanitary barriers to trade.

But the Codex also includes important food safety standards for a variety of products that we import.

1. How would you coordinate with FSIS and the State Department to ensure that those important food safety protections remain strong while working to improve export markets? If confirmed, I will ensure that the best science and data inform our decisions about trade and other factors associated with the new undersecretary position. Following Secretary Perdue's lead, there is no substitute for sound science, and I fully intend to follow his guidance.
2. Should the Undersecretary for Trade engage with FSIS in equivalency designations? If confirmed, I intend to develop relationships with all elements of USDA. My role in trade matters should not influence any issues associated with sound science.



**Senator Robert P. Casey, Jr. (D-PA)**

1. Canada and Mexico are major export markets for the U.S. dairy sector, which is a significant industry in Pennsylvania. I am concerned that recent changes in Canadian policies are displacing U.S. exports to that country. Can you discuss your priorities with respect to dairy access in the NAFTA renegotiation? It is my understanding USTR is considering remedies both in NAFTA and in the WTO. If confirmed, I look forward to advocating for U.S. dairy farmers.
2. If confirmed, you will serve as the first Under Secretary for Trade and Foreign Agricultural Affairs, a position that was created to foster multi-agency coordination for agricultural trade issues.
  - a. Please discuss how you intend to work with your partners across our federal agencies to ensure our farmers and ranchers are able to export their products, particularly as it pertains to non-tariff barriers and SPS. If confirmed, I will ensure that USDA has a strong voice in all stages of interagency operations associated with trade. By working closely with stakeholders, providing sound science and serving as a strong advocate I believe we can be successful with these issues.
  - b. Please discuss your views on the importance of strong trade enforcement for the agricultural sector. Trade, as the term implies, is a two-way operation. If we trade in good faith, we should expect to have reciprocal arrangements that are mutually beneficial. That is the art of finding that common range of interests where both parties benefit.
  - c. How will your department work with USTR, Commerce and other agencies on trade remedies and enforcement? If confirmed, I will work as a representative of the department and all agricultural interests in the interagency processes associated with trade.
  - d. Do you think USDA has the resources it needs to support trade remedy and enforcement actions for our agricultural sector? If not, what other resources and support does USDA need in this area? If confirmed I look forward to reviewing the budgets and our priorities with the FAS team to ensure we are best utilizing resources to advance US agricultural trade.
3. In July, the U.S. and Mexico reached an agreement to suspend anti-dumping and countervailing duties on sugar from Mexico.
  - a. What are your views on how to balance the competing concerns of the sugar-growing industry and sugar-consuming industry? The sugar program is primarily set by Congress and USDA to ensure sufficient supply of sugar to U.S. markets. We will continue to do our best to manage this program on the parameters set by Congress.

- b. Do you believe sugar should be included as part of the NAFTA negotiation? All commodities should be considered in any trade negotiation. If confirmed, I will advocate for all commodities being included in all trade negotiations.
4. In your testimony, you noted that as Director of Indiana's Department of Agriculture, you worked with many USDA programs, including the Market Access Program (MAP) and Foreign Market Development Program (FMD). In addition, the Foreign Agricultural Service that you would oversee is responsible for agricultural trade promotion. The Trump Administration's FY 18 budget proposed eliminating funding for a number of USDA programs that help American farmers export their products, innovate and remain competitive. This includes MAP, FMD and the Specialty Crops Block Grant, a program that provided almost a million dollars in grants to 20 specialty crop projects in Pennsylvania last year.
- a. In your experience, what benefits have these programs brought to farmers? These programs have all benefited various farmers or food companies in Indiana. Generally speaking, the **MAP/FMD programs** have primarily provided a hand up (assistance) for small-to-mid sized companies with 1) coaching on how to export and through what can otherwise be a complex process, 2) lists of pre-qualified food/ag trade shows in different markets that a farmer or company can choose from and attend/exhibit, and 3) a proven return when the farmer or company succeeds in achieving a sale or sales. With certainty, without these programs, exporting and international trade would reside with those of clout and scale who know how to do it and have the resources to do so. Many companies would be left behind. The **Specialty Crop Block Grant program** has proven beneficial in three primary ways – 1) modest funding for crop research to address a pest problem, 2) research that allows Universities or Institutions to adapt new crops to Indiana soils and climate (hops, other), and 3) an enormous lift as our Dept of Agriculture gave birth to the Indiana Grown program, which has grown in two years from zero to nearly 1,000 members, with an average of one new member joining every day. The feedback from Indiana Grown members has been terrific as to our opening doors to the food retailers, thus giving them market access in their own back yard. Further, these USDA funds were significantly leveraged such that the State of Indiana ultimately provided its own additional funds to supplement federal funds. The benefit to farmers is that it has allowed for the creation of some new farmers, and has allowed for existing farmers to diversify their operations, bringing additional margins of profitability and oftentimes allow for a son, daughter or other relative to return to the farm and carry it to the generation.
- b. More broadly, what impact will eliminating funding for these programs have on American farmers? The opportunity to provide service to wanting persons will be reduced with the magnitude of the reduction depending on size of any cuts. I believe this will mean fewer farms served, less farm/crop/livestock diversification or value-added opportunities, and a more difficult challenge to bring young men and women, oftentimes the children of farmers, back to the operation and carry it forward.

- c. If confirmed, what steps would you take to ensure that our farmers have the resources they need to succeed in foreign markets? The only thing I can do is provide voice to those who I have seen benefit from the program. I will do so respectfully and always professionally, to my line management or others who I think should know of the program benefits. My experience with MAP/FMD funding is that telling real stories about those who have or are benefitting can be very beneficial to those making decisions on funding, and I will share their stories. Should funding remain flat or be reduced, I will do as I've always done which is to assemble those most knowledgeable about the program, and reprioritize available funds to those areas most critical and bringing the highest return on investment for dollars invested.

