

May 1, 2023

BY ELECTRONIC MAIL

Mr. Arthur Neal
Deputy Administrator
Agricultural Marketing Service
U.S. Department of Agriculture
1400 Independence Avenue, S.W.
Rm. 2043-S, Mail Stop 3614
Washington, D.C., 20250-3611

RE: Doc. No. AMS- AMS-22-0083-0002, Comments on Proposed Rule to Modify U.S. Standards for Soybeans

Dear Deputy Administrator Neal:

The undersigned national and regional/state organizations representing the United States (U.S.) grain and oilseed handling and storage, export, processing and feed manufacturing companies and producers respectfully submit these comments in response to the Agricultural Marketing Service (AMS) proposal to revise the United States Standards by removing soybeans of other colors (SBOC) as an official factor and revising the table of Grade Limits and Breakpoints for Soybeans to reflect this change that was published in the March 31, 2023 issue of the *Federal Register* (88 FR 19229, March 31, 2023).

The amount of seed coat variation resulting in U.S. soybeans has increased over the past two years. As a result, due to this increased presence of seed discoloration and the SBOC criteria in the standard, more soybeans have been downgraded on account of SBOC. Importantly, at the request of the Grain Inspection Advisory Committee, the Federal Grain Inspection Service conducted a study that found no significant differences in official protein or oil content, and underlying functionality in SBOC.

Historically, adjustments to the official U.S. grain standards and agency grading practices have been implemented to accommodate such developments as variety, class, and industry operational changes. But before such changes to the standards are made, they are evaluated carefully for (at least) two very good reasons: 1) to make certain that such changes truly are necessary to facilitate the marketing of U.S. grains, oilseeds and grain products; and 2) to maintain reasonable stability in the U.S. grain standards given their widespread recognition in U.S. and world markets as both an indicator of grain quality characteristics and as a method for determining market value for the underlying commodity. The fact that our domestic and international customers, as well as farmers and grain marketers, can count on well-known and widely recognized grade standards tends to draw customers to the U.S. grain production/marketing system, and reduces trading risks for market participants.

The U.S. soybean marketing system, including price discovery and efficient logistics, relies on U.S. official standards and grading. The continued inclusion of SBOC in the soybean grade standard generated results that are contrary the objectives of the U.S. Grains Standards Act and the stated policy of Congress in passing the Act. Continued use of SBOC as a grade-determining factor is jeopardizing the intent for U.S. official grade-determining factors and factor limits to reflect the levels of soundness and purity that are consistent with end-use performance goals of the major foreign and domestic users of each such grain.

Based upon these principles, the undersigned organizations support AMS' proposed changes to the U.S. Standards for Soybeans of removing SBOC as a grade-determining factor but retaining it in the standards as part of the definition of the class Yellow Soybeans.

We appreciate the opportunity to provide our views and would be pleased to respond to any questions the AMS may have.

Sincerely,

Agribusiness Association of Iowa
Agribusiness Council of Indiana
Alabama Soybean and Corn Association
American Soybean Association
Arkansas Soybean Association
Georgia/Florida Soybean Association
Grain and Feed Association of Illinois
Illinois Soybean Association
Indiana Soybean Alliance
Iowa Soybean Association
Kansas Soybean Association
Kentucky Soybean Association
Louisiana Cotton and Grain Association
Louisiana Farm Bureau Federation
Michigan Agribusiness Association
Michigan Soybean Association
Mid Atlantic Soybean Association
Midsouth Grain Association
Minnesota Grain and Feed Association
Mississippi Farm Bureau Federation
Mississippi Soybean Association
Missouri Soybean Association
National Grain and Feed Association
National Oilseed Processors Association
Nebraska Soybean Association
New York Corn & Soybean Growers Association
North American Export Grain Association
North Carolina Soybean Producers Association
North Dakota Grain Dealers Association

North Dakota Soybean Growers Association
Ohio AgriBusiness Association
Ohio Soybean Association
Oklahoma Grain and Feed Association
Oklahoma Soybean Association
Rocky Mountain Agribusiness Association
South Carolina Corn and Soybean Association
South Dakota Agri-Business Association
South Dakota Soybean Association
Tennessee Soybean Association
Texas Grain and Feed Association
Texas Soybean Association
Virginia Soybean Association
Wisconsin Agri-Business Association