

### In This Issue

MEMBER NEWS

NEWS YOU CAN USE

UPCOMING EVENTS

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Syngenta  
Springfield

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Mexico

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**Brian Parman**  
Fertilizer Dealer Supply  
Boonville

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**T and R Soil Service**  
Chillicothe

**Jerry Foster**  
Cargill  
Jefferson City

**Chris Hoffman**  
Hoffman and Reed  
Trenton

**Rex Meyr**  
Shawntestown Feed &

April 21, 2010

### MEMBER NEWS

#### 2010 MO-AG Recycling Program Registration

The application for the 2010 MO-AG Pesticide Container Recycling Program is now available and due on May 7th. The containers are tentatively scheduled to be picked up in August this year. you can download the brochure at by [clicking here](#).

### NEWS YOU CAN USE

#### NFGA Urging CRP Reform

The National Grain and Feed Association (NGFA) have come out strongly supporting a move to downsize and significantly reform the Conservation Reserve Program (CRP). Randy Gordon, VP of Communications and Government Relations for the NGFA says of the three options outlined in the USDA's draft environmental assessment, they favor the option that reduces the CRP to 24 million acres. "We think devoting more money toward conservation on working farmland may make more sense right now than idling 32 million acres of U.S. farmland under the Conservation Reserve Program for 10 to 15 years where you just basically lock off any kind of productive resources other than using it for hunting," Gordon said. The National Grain and Feed Association believes now is the time for USDA to take a critical look at CRP. [Source: *Brownfield*]

#### Corn Planting Earlier than Recent Years

Planters in some areas are in the field earlier than usual. It's the case for Brownfield reporter

Seed  
Jackson

**Wayne Orey**  
Riggins R-Co, LLC  
Marshall

**Jason Paris**  
MFA Inc.  
Columbia

**Duane Simpson**  
Monsanto  
St. Louis

**Hank Thomas**  
Van Diest Supply  
Marshall

**Aaron Wade**  
Crop Production Services  
Sikeston

**Jerry Young**  
Agriservices of Brunswick  
Brunswick

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and American Countryside host Andrew McCrea, who's celebrating the fact that at his place in northwest Missouri, he's been planting corn since Monday. "Usually for us, if we're beginning by April 20, we feel like it's been an early year, so this has been a real early start for us," said McCrea Thursday. By McCrea's account, that's after a cold, wet winter with record snowfall. He didn't expect to be in the field this early. "The consensus in northwest Missouri was well, it's going to be a late planting season, but at the end of March the moisture shut off and then we began to get dry weather and we've missed a shower or two and the ground settled out and we were ready to go," said McCrea. [*Source: Brownfield*]

### **House Aggies Ready for Hearings on Farm Programs**

As the House Agriculture Committee preps for a series of hearings on the 2012 farm bill, Committee Chairman Collin Peterson stressed Friday that he isn't pushing a particular program or agenda on farmers other than staying within the framework of his budget. "My goal here is to do the best job with the money that we have to provide a safety net for the production farmers out there that are producing the bulk of the food in this country," said Peterson, D-Minn., in a teleconference with reporters on Friday. Yet, Peterson comes into the hearings that begin this week with a lot of thoughts and questions about the role of direct payments, marketing loans, revenue program and crop insurance needed to build the proper safety net.

In the last farm-bill debate, groups pushed for Congress to reduce or eliminate the \$5.2 annual direct payment program, but lawmakers largely resisted changing the program. Peterson continues to question the role of direct payments in setting cash rents or land values. "One of the issues that needs to be looked at or addressed is, are these direct payments being capitalized into land values and rents? And is that making it more difficult for young farmers to get started?" Further, Peterson is looking at whether crop insurance can be structured in a way to help cover a farmer's whole-farm risk rather than picking winners and losers in price protections being offered. "Is it right to be doing

this by commodity, or should we be doing this with whole-farm type of situation with crop insurance and revenue?" he said. "I've gotten some curious looks from people and some push-back on that, but I've asked people to think about it. You know, that would be a much more market-oriented type of a approach where you could cover your own risk, but the decisions within what you do within your farm are your decisions, not some type of program you are planting towards."

Peterson indicated he sees potential to build on the Average Crop Revenue Election (ACRE) program, but some tweaks are needed given the lack of enrollment in some parts of the country and the complications of the program. Further, ACRE needs to move to a county-by-county pricing mechanism rather than a statewide program to reduce disparities, he said. Peterson also acknowledged that a problem with loan rates is they are so low that they are not effective, but there won't be the money available to raise the rates, either. "What I tell people is we should put everything on the table and look at it, there's nothing more than that," he said.

Hearings will begin this coming week with Agriculture Secretary Tom Vilsack testifying Wednesday. Peterson then intends to hold another hearing in Washington, D.C., with academics and economists to give a broad overview of the farm situation and then move to hearings around the country.

Peterson emphasized that the bill will be written within the confines of the farm bill baseline when the bill is written, but he also noted that the baseline will probably shift several times before 2012, depending on economic conditions. But he also added that the 2008 farm bill provided the biggest increases ever in the nutrition and conservation programs and that he wants to protect those, as well. "Obviously given the economic situation and people out of work we want to make sure the feeding programs, the nutrition (programs) are there for people during this time." He also said farmers need more technical assistance than is currently provided to make use of the conservation programs. Peterson said he also is concerned about the potential loss of budget

baseline dollars because of the push for cost savings by USDA in contract negotiations with crop-insurance companies. [Source: DTN]

## **Nitrogen Fertilizer Shortage Emerges in Illinois, Kansas, Missouri**

The nightmares of some Midwestern farmers and fertilizer retailers are coming true. A shortage of anhydrous ammonia fertilizer has emerged in parts of the Corn Belt this week. Farmers need even more anhydrous now than usual because wet conditions kept many from putting it on last fall. Dry field conditions have farmers scrambling to applying fertilizer ahead of planting. Some cannot find anhydrous for their fields. Supplies are particularly tight in northeast Kansas and northwest Missouri. Sarah Bowser, director of member services with the Kansas Agribusiness Retailers Association in Topeka, said the state's northeast region received heavy amounts of rain last fall inhibiting fall application. Little fertilizer was applied by farmers or retailers, according to many of the organization's members.

Supplies exist, but the system does not have the logistics and infrastructure to get the supplies to the producers as quick as product is going out. Bowser knows of the shortage first hand. "My husband farms here in northeastern Kansas, and he could not find any anhydrous recently to apply so he is switching to liquid nitrogen," Bowser told DTN.

Warren Beavers, general manager of Advanced Agronomics headquartered in Hiawatha, Kan., has never had spring shortages like this one. While they only got about 10 percent of the fertilizer applied last fall when they normally get to about half their acres, he thinks the shortage problem this spring may have to do with transportation snafus rather than weather concerns. "This problem has been building," Beavers said. "Ten years ago we had more terminals to get anhydrous from and more tractor-trailers and rail cars that delivered it. The infrastructure of transporting anhydrous is moving backwards." Beavers said an increasing liability and regulatory issues around anhydrous have many trucking firms moving away from

transporting the flammable gas.

Production infrastructure is suffering as the specialized equipment used to transport the fertilizer only gets seasonal use and cannot be used for transporting other items. While anhydrous shortage has developed this week, the price for the nitrogen fertilizer has not fluctuated recently. According to retailer fertilizer prices tracked by DTN (found in the Farm Business segment of Grains Pro DTN systems), anhydrous prices have been nearly steady in recent weeks. In fact, anhydrous prices were slightly lower for the first week of April compared to the last week of March.

The reason the fertilizer market is not seeing a spike in anhydrous prices despite current shortages in some areas is because a majority of farmers pre-paid their nitrogen fertilizer needs. Because of this, anhydrous prices don't reflect the shortages, Beavers said.

Parts of Illinois also are seeing spot anhydrous shortages, according to Kevin Runkle, Illinois Fertilizer and Chemical Association (IFCA) regulatory affairs manager. As with Kansas, Illinois only saw about 10 percent of acres fertilized last fall. Normally the Land of Lincoln sees half its fertilizer applied in the fall, he said. [Source: DTN]

### **House Bill Aims to Protect Livestock Industry from Special Interest Groups**

There are concerns in the House that special interest groups may have plans to push their agendas on the livestock industry. House Agri-Business Committee Chairman Brian Munzlinger of Williamstown is sponsoring HB 2291; creating the Missouri Animal Care Advisory Committee, which would make recommendations to the legislature on possible policy changes in the poultry, livestock, and licensed dog breeding industries. "Seeing how they fit within the standards that our industry here actually have. We have in our livestock industry here, animal and poultry industries, they all have high standards that those commodity groups, associations encourage

their members to meet," Munzlinger said. That group would consist of experts from state universities, the State Veterinarian, and representatives from various agriculture groups like the Cattlemen's Association or Pork Association. The goal is to give a single, authoritative voice to defend the agriculture industry's interests.

Munzlinger says this idea is reactionary, after seeing how special interest groups affected agriculture policies in states like California and Michigan. He also points to the recent effort by the Humane Society of the United States to get an initiative petition on the ballot in Missouri to regulate the dog breeding industry. Munzlinger fears that may just be the humane society's first step. "Because they can build grassroots support and gain a following and then come after animal agriculture. Actually, the guy that testified in another committee left it open that they could be after animal agriculture in the future which is real scary. Agriculture here in Missouri is our largest industry, and really about \$12 billion a year," Munzlinger said. Munzlinger says he did start writing this bill before the HSUS's initiative petition was put forward. He says the idea for this committee, and two other bills with similar goals of protecting the livestock industry's interests, were mostly formulated in response to policy changes in other states that were initiated by special interest groups. [Source: *Missourinet*]

## **Chemical Law Reform in Works**

A plan is in the works to reform the nation's 34-year-old chemical laws. Legislation written by New Jersey Senator Frank Lautenberg would require manufacturers to prove the safety of chemicals before they enter the marketplace. Current law allows chemicals to be used unless the federal government proves they harm health or the environment. The bill also mandates that manufacturers submit health and safety data to the EPA for 84-thousand chemicals now in use. The agency would review the information to determine whether the chemicals remain on the market. The bill would make it significantly easier for the EPA to restrict or ban chemicals that are known hazards.

EPA Administrator Lisa Jackson calls the legislation a major step forward. American Chemistry Council President Cal Dooley says his organization would help move the legislation forward. DuPont's vice president of safety, health and the environment, Linda Fisher calls the bill a good starting point. [Source: *Brownfield*]

## **New Climate Legislation Could Be Introduced this Week**

According to a farmfutures.com report, new climate change legislation is expected to be introduced in the Senate this week, on or around Earth Day on April 22nd. But the story says passage is still viewed as an uphill battle, despite efforts by its authors to attract enough Republican votes to overcome a 60-vote Senate hurdle.

In an effort to gain passage, Senators John Kerry, Joe Lieberman and Lindsay Graham are reportedly including more concessions to oil and nuclear proponents in their bill. And that follows President Obama's recent move to open new offshore drilling areas. But despite those moves, American Farm Bureau spokesman Rick Krause says he still has doubts about the bill's prospects. He says it remains to be seen whether or not Senators will want to vote on a climate bill that Krause says will likely raise energy costs through either a gasoline tax or otherwise, especially ahead of key mid-term elections. [Source: *Brownfield*]

## **UPCOMING EVENTS**

### **JUNE, 2010**

**8 4-H Clover Classic Golf Tournament;  
A.L Gustin Golf  
Course; Columbia, MO**

### **JULY, 2010**

**6 Missouri Pork Association's Pork  
Classic Golf**

Tournament; Columbia, MO

**21-23 MO-AG Summer Meeting; Country Club Hotel;  
Lake Ozark, MO**

### **AUGUST, 2010**

12-22 Missouri State Fair; Sedalia, MO

### **JANUARY, 2011**

**5-7 MO-AG Convention; Lodge of Four Seasons;  
Lake Ozark, MO**

Note: Items in **red** are new postings since the last Wrap-Up issue.

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## **Letters to the Editor**

*Do you have a response to the Missouri Agribusiness Wrap Up? Let us know! The Missouri Agribusiness Wrap Up is a bi-weekly publication of the Missouri Agribusiness Association (MO-AG). MO-AG is a member-owned association based in Jefferson City, Mo. which protects members' interests in state legislation and provides educational opportunities.*

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