



National  
Corn Growers  
Association  
www.ncga.com

---

National Corn Growers Association

# 2009 POLICY AND POSITION PAPERS

*As amended  
February 28, 2009  
Corn Congress Meeting, Grapevine, Texas*

This document was updated and distributed March 3, 2009

# Table of Contents

	<u>PAGE</u>
<b>Section I</b>	<b>A commitment to meet the needs of our customers ..... 6</b>
	I-A-1 Biotechnology
	I-A-2 Plant Derived Biologics
	I-A-3 Marketable Characteristics of Corn
	I-A-4 Mycotoxins
	I-B-1 Trade Policy
	I-B-2 Trade Negotiations
	I-B-3 Foreign Market Development
	I-C Domestic Demand
	I-D-1 Ethanol
	I-D-2 Energy Policy
<b>Section II</b>	<b>Government policy that promotes a thriving agricultural sector ..... 23</b>
	II-A-1 Farm Policies
	II-A-2 Farm Program Implementation
	II-A-3 Risk Management
	II-B Minimal, Consistent Regulation
	II-C Federal Tax Policy Reform
	II-D Farm Credit
	II-E Agricultural Immigrant Labor
<b>Section III</b>	<b>Improving our national infrastructure ..... 36</b>
	III-A-1 Transportation Policy
	III-A-2 Truck Regulations
	III-B Rural Development

<b>Section IV</b>	<b>Building a solid future for tomorrow's farmers .....</b>	<b>43</b>
	IV-A Research and Commercialization	
	IV-B Commodity Group Cooperation	
	IV-C Structure and the Marketplace	
	IV-D: Precision Farming	
	IV-E Communication and Education	
	IV-F Information Programs—Livestock/Poultry	
<b>Section V</b>	<b>Leaving our world in better shape than we found it .....</b>	<b>53</b>
	V-A-1 Domestic Environmental Policy	
	V-A-2 Global Climate Change	
	V-B Water Quality	
	V-C Crop Protection Use Policy	
	V-D-1 Conservation Program	
	V-D-2 Swampbuster and Sodbuster Programs	
	V-D-3 Conservation Reserve Program	

# NCGA Policy

## *What we stand for:*

- I. A commitment to meet the needs of our customers
- II. Government policy that promotes a thriving agricultural sector
- III. Improving our national infrastructure
- IV. Building a solid future for tomorrow's farmers
- V. Leaving our world in better shape than we found it

# NCGA Policy

## *What we stand for:*

- I. A commitment to meet the needs of our customers  
Demand for corn grows when customers are satisfied. To increase demand, we will work to make corn users more successful by:
  - A. Understanding and satisfying the customer
  - B. Providing quality products
  - C. Expanding domestic and global use of US corn and corn products
  - D. Supporting a comprehensive energy policy
  
- II. Government policy that promotes a thriving agricultural sector  
Farmers should operate America's farms with limited government involvement. We support:
  - A. Market-driven farm programs
  - B. Minimal, consistent regulation
  - C. Federal tax policy reform
  - D. Sufficient financial and credit programs
  
- III. Improving our national infrastructure  
Our competitive advantage depends on a solid infrastructure throughout the U.S. We support upgrading our transportation system.
  
- IV. Building a solid future for tomorrow's farmers  
We support an active research and education commitment by all segments of the corn industry and government.
  - A. Research and commercialization
  - B. Commodity group cooperation
  - C. Rural Development/Value added resources
  - D. Structure and the marketplace
  - E. Technology
  - F. Communication and education
  - G. Information programs—livestock/poultry
  
- V. Leaving our world in better shape than we found it. Farming, using best management practices, will improve the environment.
  - A. Environmental policy
  - B. Water quality
  - C. Crop protection use policy
  - D. Conservation programs

# **I. A commitment to meet the needs of our customers**

Demand for corn grows when customers are satisfied. To increase demand, we will work to make corn users more successful by:

- A. Understanding and Satisfying the Customer
- B. Providing Quality Products
- C. Expanding domestic and global use of US corn and corn products
- D. Supporting a Comprehensive Energy Policy

# NCGA Position

Title: Biotechnology

Position Number: I-A-1

Background: The development of biotechnology offers great promise for society. Biotechnology offers corn growers improved efficiencies and potential profits when managed wisely and with regulatory oversight based on sound science. The proliferation of biotech corn is redefining current systems of price discovery, consumer information, health regulation and trade management. Worldwide consumer acceptance of biotechnology will increase with the dissemination of science-based information. Responsible and accountable management by biotechnology providers, producers, suppliers, and grain merchandisers is imperative. We must address our customers' concerns and protect our traditional markets.

Resolution/position:

1. Demand technology providers to fully engage all regulatory options and stewardship practices for biotech events. Exp. 2012
2. Support trade negotiations including the specific objective of regulatory synchronization and mutual acceptance of biotech agricultural products. Exp. 2012
3. Support the development of internationally accepted, science-based and consistent Adventitious Presence policy. Exp. 2012
4. Support the commercial release of biotech corn events or combination of events subsequent to consultation with and approval by the NCGA Biotech Working Group. These events must also receive full approval by the relevant U.S. and Japanese regulatory agencies and the product registrant must be aggressively pursuing approval in every country or bloc that requires approval prior to importation of corn, corn products, or food containing corn ingredients. Exp. 2012
5. Recognizing the importance of every customer of U.S. corn and corn products, NCGA will insist that every product registrant conducts due diligence in bringing products to market in a manner that does not disrupt domestic or international trade. Every product registrant will initiate discussions with biotech providers and end users to develop a certified marketing system that assures all events and products will reach appropriate markets. Exp. 2012
6. Encourage the mediation and resolution of biotech issues in a manner, which limits disruption of domestic and international corn marketing. Exp. 2012
7. Support the release of biotech corn that is intended for a specific end use and that has limited regulatory approval only through closed marketing systems or carefully conceived identity preservation systems that secure our ability to market corn and corn products worldwide. Exp. 2012
8. Request that biotechnology providers assure the availability of accurate, affordable, timely tests to detect the presence of each biotech event. Tests must be available prior to the marketing of new biotech events. Exp. 2012

9. Marketing of new biotech events by the seed industry that does not have worldwide approval must be focused in areas that do not jeopardize the export of commodity corn and commodity products. Exp. 2012
  - Encourage improvement of existing grain channeling systems, including training. Exp. 2012
10. Support widespread promulgation by seed retailers of event specific export approval status and management guidelines to enable growers to immediately determine which events are currently approved and how to channel those which have export restrictions. Exp. 2012
11. Require the seed industry to clearly label and identify the approval status of all events and to augment this effort with an aggressive communications program targeting grower customers (including advertising and sales of corn seed). Exp. 2012
12. Encourage the Environmental Protection Agency (EPA), registrants and the research community to work closely with producers to develop resistance management strategies that are workable for producers. Exp. 2012
13. We support continued compliance with the current refuge requirement for raising Bt corn in non-cotton producing areas. We support a scientific review of current refuge requirements including a possible reduction. Corn Grower members should encourage our neighbors and seed corn dealers to observe this requirement. Exp. 2012
14. Require the seed industry to aggressively promote Insect Resistance Management (IRM) in their seed sales strategy. Exp. 2012
15. Support Grain Inspection, Packers and Stockyards Administration (GIPSA) efforts to develop merchandising and process verification standards for goods that do not contain biotech corn. Exp. 2012
16. Support Food and Drug Administration's efforts to provide guidance for voluntary labeling that indicates whether foods have or have not been developed using bioengineering to identify attributes that are important to consumers in a manner that is truthful and not misleading. Exp. 2012
17. Promote the positive contributions of biotechnology as it relates to human and animal health, the environment, grain quality, and production benefits. Exp. 2012
18. Support public funding of land grant institutions to disseminate information, science, etc. about biotech. Exp. 2012
19. Encourage biotech providers to avoid the use of antibiotic resistant markers. Exp. 2012
20. Request seed companies make available at no charge, upon request, the percent of transgenic purity of seed. Exp. 2012
21. Insist that all corn seed has been tested for the presence of Cry9C. Exp. 2012
22. Support establishing a science-based threshold for commingled StarLink corn. Exp. 2012
23. Technology agreements should indemnify producers from liability once they follow regulations and guidelines provided by the biotech provider and seed companies. Exp. 2012

24. The strict enforcement of science-based isolation and containment requirements for the research, production, and processing of all crops that are not approved for food and feed use in the United States in order to protect the commercial grain industry and food supply is imperative. Exp. 2012
25. For approved biotech events, the seed industry must maintain regulatory approvals for use until the trait is reasonably out of the commercial corn supply or is universally accepted with generally regarded as safe (GRAS) status. Exp. 2012
26. Support lowering refuge requirements for Bt corn grown in cotton producing areas to that of corn grown in non-cotton producing areas. Exp. 2012
27. Work with federal agencies to develop an educational package to ensure producers are educated in proper biotech stewardship. Exp. 2012
28. We support a science-based analysis and continued research of Genetic Use Restriction Technologies in corn. Exp. 2012
29. NCGA should encourage uniform seed regulation legislation. Exp. 2012
30. NCGA will respect EPA's determination on refuge levels and is committed to educating corn producers on any changes in refuge requirements jointly with commercial providers of technology that require refuge. We support the refinement of refuge requirements and new applications of refuge compliance tools that continue to allow for effective management of refuge as long as those changes and tools are supported by sound science. Exp. 2012
31. Work with U.S. government and other stakeholders to help encourage timely and predictable approval of new traits and stacks and, in the event timely approval is not achieved, the development and implementation of an appropriate Low Level Presence policy in current major corn export market countries. Exp. 2012

# NCGA Position

Title: Plant Derived Biologics (PDBs)

Position Number: I-A-2

Background: We believe that there is long-term opportunity for farmers to grow value-added products derived from biotechnology and extracted from plants. Pursuit of this new technology platform holds great promise for society. NCGA will continue to work responsibly to position growers to capture value from these new products while ensuring the safety of the food supply.

Some biotechnology products require extensive management. Trained and certified growers must have the skills and ability necessary to produce these crops with proper audits. Containment and isolation of PDBs are critical issues that must be resolved in order to protect traditional markets, and realize the promise of this technology.

Supports the following:

1. Federal policy should allow the opportunity to develop and grow these new products based upon scientific risk assessment(s). Exp. 2012
2. Each class of compounds should be grown and handled based on the scientific risk assessment. Exp. 2012
3. Each class of compounds should have specific requirements for regulatory approval. Exp. 2012
4. We agree the following requirements should be followed when growing PDBs: Exp. 2012
  - a) Isolation from commodity corn through the use of:
    - i. Non-transgenic pollen or male sterile corn;
    - ii. Dedicated production systems;
    - iii. Third party verification;
    - iv. A process that ensures plants containing an unapproved trait be 100% detasseled;
    - v. A fallow system where appropriate;
    - vi. Temporal separation by using growing degree-days; and
    - vii. The development of technology protection systems in all pharmaceutical and industrial enzyme corn.
  - b) A grower training, testing and auditing program to implement standard operating procedures.
5. Recommend a review of the following procedures used by the PDB industry for: Exp. 2012
  - a) Seed production and handling;
  - b) Grain production and handling; and
  - c) Utilization and handling of by products.

# NCGA Position

Title: Marketable Characteristics of Corn

Position Number: I-A-3

Background: The primary purpose of the official U.S. standards for grain should be to describe and certify the quality of grain as accurately as practical. They should:

- Define uniform and accepted descriptive terms to facilitate trade in grain;
- Provide information to aid in determining grain storability;
- Promote the retention of the quality of the grain during the marketing process;
- Offer end users the best possible information from which to determine end product yield, quality and value;
- Provide the framework necessary for markets to establish grain quality improvement incentives.

Resolution/Position:

1. Support the development of a national grain quality strategy as new concepts in grain quality emerge that are of importance to end users in addition to the current grading standards that will be to the benefit of the U.S. corn farmer and strengthen our competitive advantage. Exp. 2012
2. Support research, development and testing of end-use quality characteristics of processing and/or breeding of corn for the benefit of our customers. Exp. 2012
3. Support the development and standardization of equipment and sampling/testing procedures and calibration that would quickly and accurately determine the intrinsic value of corn, and encourage the market to reward that value. Exp. 2012
4. Grain marketing value should be determined on a dry matter and intrinsic value basis. Exp. 2012
5. Support the development and use of a "Best Efforts" contract for the production and merchandising of conventional and identity preserved corn. Exp. 2012
6. Request further definition and verifiable testing of "Organic Products." Exp. 2012
7. Support the industry's initiatives to develop unique marketable characteristics of corn. Exp. 2012

# NCGA Position

Title: Mycotoxins

Position Number: I-A-4

Resolution/Position:

1. Support research strategy to minimize the impact of mycotoxins on corn production and food safety. Exp. 2012
2. We support the efforts of and will cooperate with the Southern States Mycotoxin Initiative to mitigate and eliminate mycotoxins in corn and corn products. Exp. 2012
3. Support research for alternate safe uses of aflatoxin-contaminated corn and its products. Exp. 2012
4. Support mycotoxin standards based on sound scientific data. Exp. 2012
5. Support uniform standards for the sampling and testing procedures used to determine mycotoxin contamination levels. Exp. 2012
6. Promote biotechnology's role in reducing mycotoxins in corn production. Exp. 2012
7. Support the research, development and testing of hybrids for resistance to mycotoxins. Exp. 2012

# NCGA Position

Title: Trade Policy

Position Number: I-B-1

Background: The export of corn and corn products is vital to the nation's economy, its balance of payments and the profitability of corn production. The development and maintenance of fair and open global trade practices and policies are essential.

U.S. corn farmers support world agricultural production based on comparative economic advantage and endorse multilateral liberalization of trade as a way to raise the standard of living of all people.

We support a consistent U.S. trade policy so corn and corn products will not be disadvantaged for the advancement of another sector.

Resolution/Position:

1. Initiate and support programs to build long term global demand for corn and corn products. Exp. 2012
2. Support worldwide elimination of export subsidies and barriers to free trade. Exp. 2012
3. Develop and provide corn products to meet the demands of modern global consumption. Exp. 2012
4. Support normal trade relations for all trading partners. Exp. 2012
5. Seek resumption of normal trade relations with Cuba. Exp. 2012
6. Support repeal of the Jackson/Vanik Amendment and the Stevenson Amendment. Exp. 2012
7. Oppose any form of cargo preference. Exp. 2012
8. Support exemption of food, feed, agricultural products, medicine and medical supplies from any and all unilateral sanctions imposed on foreign countries by the United States. Exp. 2012
9. Support compensation for producers for any economic loss or the loss of reputation as a reliable supplier if U.S. government policy inhibits exports of corn or value-added products. Exp. 2012
10. Encourage the U.S. government to respond appropriately when artificial barriers or unsubstantiated restrictions are imposed on U.S. agricultural products. Exp. 2012
11. Support appropriate use of U.S. antidumping laws and strengthen international laws to prevent abuse. Exp. 2012
12. Support funding authorized in the 2007 farm bill for P.L.480 Title 1, loans, Title II, the Food for Progress Program and the McGovern-Dole International Food for Education and Child Nutrition Program. Exp. 2012
13. Support the reauthorization of Trade Promotion Authority. Exp. 2012
14. Support continued membership by the U.S. in the World Trade Organization (WTO). Exp. 2012

15. Support the authority of WTO to arbitrate trade disputes and implement enforcement actions. Exp. 2012
16. Support appropriate economic incentives to accomplish identity preserved grain channeling. Exp. 2012
17. Oppose U.S. and foreign trade barriers that negatively impact the availability of imported inputs, including tariffs on urea from Russia and the Ukraine. Exp. 2012
18. Initiate when appropriate and/or strongly support efforts to remove anti-dumping duties, tariffs, quotes and any other trade restricting devices which impede the importation of fertilizer and other crop production inputs. Exp. 2012
19. Support the opening of international beef markets by utilizing policy that allows bone-in beef product from cattle less than 30 months of age as part of a stair step effort to eventual full OIE approval, and call for immediate adoption of this policy with all interested global trading parties. Exp. 2012
20. We support approval of the South Korea, Panama, and Columbia Free Trade Agreements. Exp. 2012

# NCGA Position

Title: Trade Negotiations

Position Number: I-B-2

Background: U.S. government policy must clearly and consistently promote the liberalization of the world's trading system through both multilateral and bilateral negotiations that assure U.S. corn and corn products full access to world markets.

The U.S. corn industry is highly dependent on other sectors of American agriculture. By fully analyzing trade agreement effects on customers, we can ascertain long term effects on the corn industry.

## Resolution/Position:

1. Support agricultural negotiations in the Doha Round of the World Trade Organization and U.S. priorities in the "Framework Agreement". Exp. 2012
2. We support efforts of the U.S. trade negotiations for the increase in meaningful and achievable access to foreign markets. Exp. 2012
3. We will analyze all trade agreements and fully support those that enhance market access for corn and corn products while judiciously protecting programs that are necessary to ensure a strong viable agriculture economy. In principle we support redirecting trade distorting payments enabling WTO compliance. Exp. 2012
4. Support bilateral free trade agreements, to assure the greatest possible opportunities for U.S. corn growers. Exp. 2012
5. Insist the U.S. government ensure that the agricultural negotiating team includes adequate experience, expertise and knowledge of U.S. production agriculture. Exp. 2012
6. Support sanitary and phytosanitary regulations consistent with uniform, science-based, internationally accepted standards. Exp. 2012
7. Support the full implementation of NAFTA and oppose efforts to reopen the agreement. Exp. 2012
8. Oppose non-transparent state trading enterprises. Exp. 2012
9. Support full implementation of the CAFTA agreement and oppose efforts to reopen the agreement. Exp. 2012
10. Support elimination of trade barriers for agricultural products derived from biotechnology including the European Union's biotech labeling and traceability regulations. Exp. 2012
11. Support WTO trade negotiations that allow greater foreign market access for U.S. agricultural products without compromising the basic integrity of U.S. domestic farm support. Exp. 2012

# NCGA Position

Title: Foreign Market Development

Position Number: I-B-3

Background: Effective foreign market development programs for corn and corn product exports involving the cooperator program through the U.S. Grains Council (USGC), USA Poultry and Egg Export Council (USAPEEC), and U.S. Meat Export Federation (USMEF) should be financed supported by funding from state checkoff programs and federal dollars through the USDA Foreign Agricultural Service (FAS). These market development programs should be conducted to maximize efficiency and coordination between NCGA and USGC through efforts to expand the uses of corn and corn products.

USMEF, USAPEEC, and other cooperator organizations should be encouraged to expand overseas markets, thereby increasing demand for domestic corn.

Resolution/Position:

1. Support USGC, USAPEEC, and USMEF to develop and expand international markets. Exp. 2012
2. Support level funding authorization in Title III of the 2007 farm bill for both the Market Access Program funding cap and the Market Development Cooperator Program funding level. Exp. 2012
3. Support effective foreign economic development programs that enhance the competitive advantage of U.S. corn and corn products. Exp. 2012
4. Support use of GSM-102 as a commercial export credit guarantee program for corn, corn co-products, livestock and poultry products without limitations to the type or amount of commodities purchased. Exp. 2012
5. Facilitate the export of corn co-products and value-added grains from producer owned and controlled businesses by helping these groups participate in market development programs. Exp. 2012
6. Encourage USDA to promote, support, and expand the facilities guarantee program throughout the world to develop infrastructure that facilitates U.S. agricultural exports. Exp. 2012
7. We believe the USDA should retain control of agricultural export promotion programs. Exp. 2012

# NCGA Position

Title: Domestic Demand

Position Number: I-C

Background: Support a diversified, expanding and long-term domestic demand effort for corn.

Resolution/Position:

1. Support a coordinated and aggressive effort to promote increased consumption of meat, poultry, fish and dairy products. Exp. 2012
2. Support the development and promotion of value-added products from the corn industry. Exp. 2012
3. Support the US livestock/poultry industry: Exp. 2012
  - a) responsible, competitive, environmentally-sound livestock/poultry production expansion
  - b) Place a priority on educating government and the general public on the importance of the livestock/poultry industry.
  - c) Work with commodity organizations and other affiliated interests to establish and maintain programs and policies, which lead to the strengthening of the livestock/poultry industry, as our number one corn market.
4. Support and recommend legislation that creates tax and investment incentives for individual corn growers that will encourage their participation in farmer owned value-added projects. Exp. 2012

# NCGA Position

Title: Ethanol

Position Number: I-D-1

Background: NCGA believes it is in the best interest of the US consumer to have a comprehensive National Energy Plan, which includes renewable fuels. Renewable fuels will provide an environmentally clean, domestically produced fuel, which will contribute to our independence from foreign oil. In addition, rural communities benefit from the additional jobs created through the development of this renewable fuel industry.

1. Work with Congress, the administration and other regulatory agencies to ensure successful implementation of RFS and Energy Bill for the benefit of corn growers. Exp. 2012
2. Work with all partners in the ethanol industry to create a unified strategy to expand ethanol usage and production. Exp. 2012
3. Opposes any policy that allows environmental backsliding. Support Energy Policy Act of 2005 provisions that do not allow for environmental backsliding. Exp. 2012
4. Support the goal of substantially increasing the ethanol market. In addition support state efforts to encourage more aggressive usage of ethanol. Exp. 2012
5. Support establishment of federal fuel standards which allow up to 85% ethanol blends. Exp. 2012
6. Support implementation of a domestic energy policy that expands the use of renewable fuels, such as ethanol, by supporting favorable tax incentives. (i.e. NCGA initiate a major effort with member states to enact state legislation to reduce vehicle registration fees on flexible fuel vehicles.) Exp. 2012
7. Support a strong domestic ethanol industry, and continue supporting a thriving ethanol market in every opportunity available. Tax incentives for ethanol should be directed toward domestic renewable fuels production where possible. We support the secondary tariff on ethanol that offsets the volumetric ethanol excise tax credit (VEETC) received on all blended gasoline in the United States. Exp. 2012
  - a) Seek a permanent extension of the secondary tariff on ethanol
  - b) Seek an extension of the volumetric ethanol excise tax credit (VEETC), with the goal of making the credit permanent.
  - c) Investigate the mechanics and ramifications of a variable or countercyclical ethanol tax credit based on the price of crude oil or gasoline.
  - d) We support efforts to capture the federal ethanol blenders credit and the available RINs by any facility that has blending capability.
8. Support equal tax credit for all ethanol regardless of feedstock. Exp. 2012
9. Promote the expanded use of ethanol, and the development and usage of renewable fuels (such as: E-85, E diesel (ethanol-blended diesel), Biodiesel, Ethanol based aviation fuel): Exp. 2012
  - a) Requiring all new flexible fuel vehicles qualifying for CAFE credits to be clearly identified at the time of sale with a yellow fuel cap and with a permanent badge or emblem on the quarter panel or tailgate; and
  - b) Requiring that the fuel loaded into a new flexible fuel vehicle by a manufacturer be E85; and

- c) Requiring vehicle manufacturers and retail dealers to provide new purchasers of flexible fuel vehicles with information about the economic benefits, environmental benefits, and energy security benefits of E-85 use and pump locations; and
  - d) Requiring that the funds generated when an automobile manufacturer incurs a penalty for non-compliance with CAFE standards be transferred to a new fund that would be used solely to expand E-85 fueling infrastructure nationwide; and
  - e) Support legislation requiring that by 2014 all new gasoline-powered automobiles and light duty trucks of 12,000 or less gross vehicle weight sold in the United States be E85 flex fuel capable or greater.
  - f) Support increased percentage of ethanol in blends to increase ethanol usage.
  - g) Support use of tax incentives for the consumer to purchase E85 fuel and flex fuel vehicles.
  - h) Support and promote the expansion in numbers of retail fueling stations selling E-85.
  - i) We support making more cars flex fuel compatible, including the conversion of non-flex fuel vehicles if possible. We encourage EPA testing and certification of conversion kits.
  - j) We support the installation and use of blender pumps to allow consumers to use blends containing levels of ethanol ranging from E10 to E85 as they choose and allowed by law.
10. Promote the expanded use of ethanol by recognizing its inherent benefits such as octane enrichment. Exp. 2012
  11. Encourage NCGA to keep in mind the competitive balance between dry mill and wet mill production as they evaluate ethanol options, and oppose any program that would jeopardize expansion of the ethanol industry. Exp. 2012
  12. Support and promote fuel cell technology with utilization of ethanol as a primary energy source. Exp. 2012
  13. Support the establishment of E diesel standards for both off road and highway use. Exp. 2012
  14. Work to encourage the blending of E-diesel and bio-diesel. Exp. 2012
  15. Oppose any effort to create a government-owned grain reserve for the purpose of an ethanol reserve. Exp. 2012
  16. Support standardized methodologies for testing Distillers Dried Grain. Exp. 2012
  17. Support aggressive funding for DDG research to increase livestock and poultry feeding. Exp. 2012
  18. We believe that ethanol derived from materials other than corn, such as switchgrass, wood chips, corn stalks and corn fiber, etc., can be complimentary to ethanol derived from corn but not serve as a replacement. Exp. 2012
  19. Support the development of multi-use renewable fuel pipelines in the U.S., utilizing various available funding sources. Exp. 2012
  20. Support proposals prohibiting oil companies, through franchise contracts, sales agreements or other means, to prohibit or establish barriers (such as restricting use of company credit cards) for a fuel retailer to make E85 or other biofuels available for sale anywhere on the property of the retailer. Exp. 2012

21. NCGA supports EPA/ASTM emissions research and efforts to legalize utilization of higher blends of ethanol for conventional vehicles. Exp. 2012
22. While recognizing that ethanol requires less water for production than gasoline, in a desire to be best possible stewards of the environment, we support research that would further reduce the usage of water in the production of ethanol. Exp. 2012
23. We support timely implementation of NCGA's proactive communications effort to set the record straight with respect to ethanol production, food prices and corn supply. It is imperative that we address the lack of knowledge and appreciation among the public, the media, and some land grant universities of the damage done to our economy and society from the enormous oil revenue flowing from our country to hostile regions of the world. Highlighting the economic and environmental benefits of domestic, renewable ethanol will help generate appreciation of the value America receives from its corn industry. Exp. 2012
24. Support federal funding for research and commercialization of the utilization of biomass to replace natural gas/coal in corn-to-ethanol and other processing plants. Exp. 2012
25. We support simplification of the regulatory process related to renewable fuels under the Clean Air Act. Exp. 2012
26. Explore all options to strengthen the financial position of the ethanol industry. Exp. 2012
27. NCGA should aggressively pursue options to strengthen the financial position of the domestic ethanol industry, including interest rate buy downs, extension of loan terms, loan guarantees and expansion beyond 10% blends. Exp. 2012
28. NCGA should aggressively pursue intermediate term options to assist the ethanol industry including: higher blend levels, expansion of fueling stations and additional flex fuel vehicles. Longer term priority should be given to maintaining and growing the Federal Renewable Fuel Standard. Exp. 2012
29. Supports EPA policy that allows companies that blend ethanol an "operational tolerance" so that they may blend up to the fully allowable level in gasoline. Exp. 2012
30. Support industry efforts to address the dispenser certifications that are required by fire marshals and other regulatory officials in order to sell high level blends of ethanol. Exp. 2012
31. Support the rapid development of scientific research to allow EPA to grant approval for the use of higher ethanol blends in conventional vehicles. Exp. 2012
32. We support federal legislation to move toward a national requirement of 20% or greater renewable fuels by 2018. Exp. 2012
33. NCGA will not support any legislation that attempts to change air quality and/or vehicle standards from U.S. EPA Control to California Air Resources Board (CARB) Control. Exp. 2012

# NCGA Position

Title: Energy Policy

Position Number: I-D-2

Background: Energy sources are a primary consideration for U.S. agriculture's competitive advantage. Agriculture should be included as a source of energy to reduce our dependence on foreign oil.

Resolution/Position:

1. Promote a national energy policy that by developing domestic energy supplies while displacing foreign oil reduces our dependence on foreign oil and ensures national energy security with environmentally friendly, domestically produced natural resources, renewable resources including ethanol and its derivatives. Exp. 2012
2. Support programs and policies to ensure priority availability of all forms of energy at reasonable and stable prices for production, transportation, processing and marketing of agricultural products. Exp. 2012
3. Oppose additional federal taxes on fuel used in production agriculture. Exp. 2012
4. Support continuation of the electrical loan programs of the Rural Utilities Service in agricultural areas. Exp. 2012
5. Oppose the privatization of Rural Public Power Districts. Exp. 2012
6. Support cost competitive alternative energy sources in the production of electricity. Exp. 2012
7. Oppose any regulatory or legislative measure that would increase the cost of electricity. Exp. 2012
8. Oppose regulations for electric utility restructuring that would shift costs from large industrial users to farm and residential users. Exp. 2012
9. Support expanded domestic production and construction of infrastructure and also increased efficiencies for natural gas and other energy resources by finding more U.S. reserves including drilling in ANWR, coastal plains or other potential domestic locations. Exp. 2012
10. Work to ensure the best possible rules for corn growers and the ethanol industry for implementation of a Renewable Fuels Standard using sound science and the most current industry data. Exp. 2012
11. Support efforts to use corn derived renewable feed stock for the production of electricity and other forms of energy. Exp. 2012
12. Support authorization and full funding of \$150 million for the Commodity Credit Corporation Bioenergy program to be used for renewable fuel ventures that are greater than 50% farmer-owned. Exp. 2012
13. We support one to one credit for any renewable fuel not specifically designated for original credits in the Energy Policy of 2005. Exp. 2012

14. Support the use of bio-fuels and lubricants by federal, state and local government-owned vehicles. Exp. 2012
15. We support moving beyond the national Renewable Fuels Standard to promote a more aggressive energy policy that would move the United States closer to energy independence. Exp. 2012
16. Work to increase E85 infrastructure tax credit established in the Energy Policy Act of 2005 to 50% of the cost of installing new E85 infrastructure up to \$60,000 with the provision included that more than one pump per location or per company can be covered under this program. Exp. 2012
17. We support NCGA's active participation in the 25X25 initiative, ensuring the corn industry's interests are well represented. Exp. 2012
18. Government research dollars should include corn and corn fiber as a significant biomass feedstock in the production of biofuels. Exp. 2012
19. Government policy, taxes and programs should not differentiate in the distribution and retail marketing of ethanol derived from different biomass feedstocks. Exp. 2012
20. Examine the impact of current highly variable (boutique fuels) state fuel content regulations to facilitate easier ethanol blending. Exp. 2012
21. Support the extension of the wind energy production tax credit. Exp. 2012
22. Support research and the development of commercial renewable fertilizer production including production plants utilizing wind power and other sources. Exp. 2012
23. Support wind energy production tax credit and other incentives for both ordinary and passive income. Exp. 2012
24. We will work to insure that sound science and a transparent process are used as consideration of Indirect Land Use moves forward. We believe that accurate, current data must be evaluated when accounting for Indirect Land Use related to corn production. We believe the impact of all other energy industry related sectors should be evaluated using the same criteria. Exp. 2012

## II. Government policy that promotes a thriving agricultural sector

Farmers should operate America's farms with limited government involvement. We support:

- A. Market-driven Farm Programs
- B. Minimal, Consistent Regulation
- C. Federal Tax Policy Reform
- D. Sufficient Financial and Credit Programs

# NCGA Position

Title: Farm Policies

Position Number: II-A-1

Background: In future farm policy support these long-term concepts to ensure prosperity for America's agricultural industry.

Resolution/Position:

1. Evaluate and support farm policy that will ensure that American farmers are: Exp. 2012
  - Globally competitive,
  - Market responsive, and
  - Environmentally responsibleand that provides producers with:
  - Access to world markets
  - Access to capital
  - Access to advances of technology, and
  - Risk Managementin a sustainable and environmentally sound manner.
2. Support a program that: Exp. 2012
  - a) is compatible with NCGA goals for WTO negotiations;
  - b) allows producers to make business and planting decisions based on market forces;
  - c) allows market forces to determine supply rather than government decision making;
  - d) allows payments to all size farms, small or large;
  - e) promotes profitability but does not guarantee it;
  - f) includes voluntary conservation practices and is adequately funded to encourage program participation to continue conservation of land and other natural resources;
  - g) will increase federal funding for research, domestic and international market development;
  - h) increases federal funding delivered to state and local control for rural economic development.
  - i) Investigate revenue-based insurance as a component of an income safety net
  - j) rewards producers for effort, assuming risk, and management
3. The Farm Bill Commodity Title for corn and potentially other commodities should provide for a county revenue countercyclical program integrated with federal crop insurance that is market sensitive while providing a safety net. This effort will advocate for an appropriate implementation transition period. Exp. 2012
4. NCGA will oppose any effort to lower the payment limits or change the payment limit rules for the current and future Farm Bills. Exp. 2012
5. Allow direct payments to be received in cash or "401K" type payment invested in value-added farmer owned industries or conservation practices. Exp. 2012
6. NCGA will support increasing the current Farm Bill budget funding. Exp. 2012

7. USDA should use the Posted County Price as the average of the two adjusted terminal prices for the county. Exp. 2012
8. We support the definition of sustainability as defined by Congress in the 1990 Farm Bill. Exp. 2012
9. Oppose lowering of Adjusted Gross Income (AGI) limits to qualify for farm program benefits below current levels. Exp. 2012

# NCGA Position

Title: Farm Program Implementation

Position Number: II-A-2

Background: NCGA is committed to making farm programs work for producers. We support the following program provisions.

1. Marketing Assistance Loans: Exp. 2012
  - a) Oppose any decrease in the corn loan rate.
  - b) Support changes in the Loan Deficiency Payment Program (LDP) allowing producers to determine LDP rates on any or all eligible commodities after harvest or up to 30 days prior to the beginning of the marketing year. Payment cannot be made until verification of actual production.
  - c) Support continued LDP eligibility for silage, high moisture corn, or mycotoxin-infected or damaged corn.
  - d) Any production from land in conservation compliance should be eligible for marketing loans.
  - e) The payment limitation for loan deficiency payments and marketing loan gains should be increased from \$75,000 to \$150,000. A Loan Certificate program should be available for producers whose production is greater than their LDP payment limit.
  - f) We support a waiver of beneficial interest requirements for LDPs on contract value-added grain delivered to entities such as seed-plants, food plants, farmer-owned ethanol facilities.
2. Work with Congress and the administration to find innovative ways to improve farm income. Exp. 2012
3. USDA should put in place uniform policy for all county Farm Service Agency (FSA) offices that treats producers equitably and enhances the ability of producers to access all products and programs available to them through the entire crop year. Exp. 2012
4. Support a change in FSA rules that would provide landowners more flexibility and decision making authority regarding the assignment of the contribution percentages of base acres between tracts of farmland within an FSA farm unit number. Exp. 2012
5. USDA should seek and allocate adequate budget funds to staff county FSA offices with adequate personnell to assure timely implementation of all farm programs. Further timeliness of service to producers should be a condition of the leadership of FSA performance appraisals. Exp. 2012
6. Encourage USDA to evaluate and correct inequities of PCP's as compared to local cash prices. Exp. 2012
7. We support the use of federal crop insurance records as an acceptable form of proving yields for federal farm programs. Exp. 2012
8. Support livestock/poultry producers in their efforts to verify crop production in a fair and equitable manner. Exp. 2012
9. Support making LDP's and Marketing Loan Gains available through 30 days after actual marketing and delivery of grain to allow capture of MLG on overrun. Exp. 2012

10. USDA should ensure that after a farmer chooses to update his bases or yields, the Farm Service Agency cannot go back to bases and yields less than what can be proven. Additionally, the producer should be able to update bases and yields as CRP acres are returned to production. Exp. 2012
11. Farmers who have planted crops such as sweet corn, hay crops, or pulse crops should not be subject to a reduction of FSA-defined total crop acres in the calculation of farm base. Exp. 2012
12. Support the expansion and funding of the USDA inspector generals office to continuously monitor farm program implementation at the state level. While charged with ensuring fair and uniform interpretation and implementation of the farm program nationwide it would also provide fines and disciplinary action for those states which do not enforce uniform implementation of the farm program provisions. Exp. 2012
13. Support updating bases and yields by using LDP's, crop insurance yields, or 3 similar farms, to reflect current cropping practices. Exp. 2012
14. Support a technical correction to the 2008 Farm Bill that allows a farm with ten or fewer base acres to be aggregated or combined with any farm or farms with an amount of base acres so the total aggregated base acres on the resulting farm exceed ten acres, making the resulting farm eligible for direct, countercyclical, and average crop revenue election payments. Exp. 2012

# NCGA Position

Title: Risk Management

Position Number: II-A-3

Background: Agricultural producers cannot control the dual risks of weather and price. However, with revenue-based risk management tools, producers can avoid the disastrous effects of low yields and low prices. The subsidy structure of the federal crop insurance program should encourage producers to insure adequate revenue to avoid devastating losses but must not artificially stimulate production.

Producers must have timely information to make appropriate risk management decisions. The Federal Crop Insurance Corporation (FCIC), the private crop insurance companies and their agents must make every effort to provide cost and coverage information to producers as early as possible.

Resolution/Position:

1. Support revenue-based risk management tools for all states with proportional federal subsidies for price and yield risks and progressive subsidies on increased levels of coverage. Exp. 2012
2. Support the development of new and innovative risk management products to provide a wide array of tools to help producers manage price and yield risks. Exp. 2012
3. Support risk management products that provide payment for actual losses, including losses incurred from delayed or prevented plantings, arising from disease or other natural causes. Exp. 2012
4. Support the use of GPS and yield monitor systems for providing harvested yield and production reporting with hard production evidence. Exp. 2012
5. Support contract provisions for full refund of farmer-paid premiums in the event Congress provides ad hoc crop loss assistance for the insured crop year. Exp. 2012
6. Support a change in the base price discovery period for CRC spring-planted crops from February to January for policies with a March 15 sales closing date. Exp. 2012
7. Support updating crop insurance to ensure equitable coverage for prevented planting losses. Exp. 2012
8. Support a replant policy that will enable producers to replant with the crop of the producers' choice. Exp. 2012
9. When considering production for crop insurance purposes, each farm number should stand on its own. Exp. 2012
10. Encourage Congress to establish a new independent office of crop insurance oversight within USDA to oversee companies who receive Federal Crop Insurance subsidies. Furthermore, the office should be adequately staffed and funded. Exp. 2012
11. Risk Management Agency should calculate premiums on an actuarially sound, county basis. Exp. 2012
12. Federal crop insurance rules regarding testing for mycotoxins should allow bin testing if the problem surfaces after harvest has begun in the area. Exp. 2012

13. In order to receive disaster assistance payments from the federal government, farmers should be required to have purchased at least catastrophic federal crop insurance. Exp. 2012
14. Support passage of the National Farm Security Act to provide more equitable aid for producers who have been hurt by natural losses. Exp. 2012
15. Support the option of arbitration to settle crop insurance disputes. Exp. 2012
16. Encourage development of innovative programs which would allow producers to insure higher value crops at reasonable values. Exp. 2012
17. Encourage a review of the crop insurance program to assist producers who have had multi-year crop disasters and thus have lost the ability to adequately insure their crop. Exp. 2012
18. Support requiring crop insurance companies to compensate producers for interest costs incurred while crop insurance claims are pending, under litigation or in arbitration, at similar interest rates to those producers are charged on premiums owed. Exp. 2012
19. Support changes in the federal crop insurance premium subsidy structure to ensure equivalent dollar levels of subsidy for yield, revenue, and income protection policies regardless of selected unit coverage: basic, optional, enterprise or whole farm. Exp. 2012
20. Encourage the Risk Management Agency to revise policy for testing and payment protocols regarding corn affected with mycotoxins. Exp. 2012
21. Support review of current planting date limitations to better reflect modern agronomic practices. Exp. 2012
22. Support the development and administration of a Corn Grower Risk Management education and certification program recognized by RMA and FCIC to aid in the issuance of written agreements. Exp. 2012
23. Crop insurance companies should be required to disclose justifications for denying a claim. Exp. 2012
24. Support the annual updating of county t-yields. Exp. 2012
25. Support changing the 10 year production window for calculating APH to 5 production years for all policies. Exp. 2012
26. NCGA shall diligently work to ensure that crop losses caused by man-made spring rises on the Missouri River are covered by crop insurance policies for the crop year 2006 and beyond. Exp. 2012
27. Support revising the corn and soybean replant maximum payment allowed, to more accurately reflect the actual cost of replanting. Exp. 2012
28. Support a process that will allow increased producer input and advocacy in RMA program development and implementation. Exp. 2012

29. Support the study of alternatives and changes to crop insurance, including a tax deferred savings account equal to insurance premiums that could be used when qualifying for a claim. Exp. 2012

# NCGA Position

Title: Minimal, Consistent Regulation

Position Number: II-B

Resolution/Position:

1. Support accurate reporting of crop and utilization statistics by the USDA. Exp. 2012
2. Support the provisions of the Commodity Exchange Act, which require the Commodity Futures Trading Commission to regulate commodity exchanges. Exp. 2012
3. Support the full reimbursement of legal costs associated with unsuccessful litigation brought by state or federal regulatory agencies. Exp. 2012
4. Support administration by a single government agency where jurisdictions overlap. Exp. 2012
5. Encourage the development of uniform criteria including office workloads in determining Farm Service Agency (FSA) office closures. Exp. 2012
6. Farmers who do not have a service center in their home county should be allowed to choose an office of their preference. Exp. 2012
7. Support maintaining the elected county committee system. Exp. 2012
8. Support a reinstatement of the cooperative agreements for states to perform warehouse examinations in an efficient manner protecting the local interest. Exp. 2012
9. Support member states in their efforts to protect the right to farm laws. All producers of agricultural products who are in regulatory compliance should be encouraged to continue their operations by all levels of government. Exp. 2012
10. Support Homeland Security and request that economic factors be considered when developing requirements/rules affecting agriculture. Exp. 2012
11. Any state or local livestock/environmental regulation cannot be more restrictive than federal law. Exp. 2012
12. Utilities will install and maintain services in such a manner which will not interfere with normal farming practices. Exp. 2012
13. We believe production agriculture should not shoulder the costs of preventing methamphetamine production. Exp. 2012
14. Support agricultural exemptions from the Environmental Protection Agency's Spill Prevention Containment and Control ruling. Exp. 2012

# NCGA Position

Title: Federal Tax Policy Reform

Position Number: II-C

## Resolution/Position:

1. Support legislation to redefine hedging to allow producers who replace commodities with offsetting futures and options positions of similar commodities to have the profit or loss on those futures or options positions taxed as ordinary income or loss rather than as capital gain or loss. Exp. 2012
2. Support full deductibility of term life, long term care, and health insurance premiums. Exp. 2012
3. Support incentives for capital investments. Exp. 2012
4. Support authorization of tax-deferred accounts to allow agricultural producers to contribute to savings accounts that would be taxed at the time of withdrawal. Exp. 2012
5. Support elimination of capital gains tax or any method to reduce capital gains taxes, including rate reductions, exemptions for farmland from capital gains, or indexing a property's basis to inflation. Exp. 2012
6. Support the continued use of commodity wages for agricultural employees. Exp. 2012
7. Support efforts to exempt rental income from self-employment taxes. Exp. 2012
8. Support incentives for farm (and other business) owners to transfer ownership to future generations during their lifetimes rather than allow the business pass through their estates. Exp. 2012
9. Support legislation to be enacted by 12-31-2010 to permanently repeal the federal estate tax, and to retain the stepped up basis for estates. Also support legislation that may not eliminate the estate tax, but instead increase the exemption amount, and maintain an unlimited stepped-up basis. Exp. 2012
10. Oppose a national flat tax as a method of tax reform if it does not include exemptions for business expenses. Exp. 2012
11. Support legislation to increase the maximum gift tax exclusion, to at least \$20,000 per donor per recipient with annual adjustments tied to increases in the consumer price index. Exp. 2012
12. Support the purchase of inputs financed by a lending subsidiary of the vendor to be deductible at the time of purchase. Exp. 2012
13. Support a one time exemption from capital gains and income taxes on the first \$250,000 in proceeds from asset sales resulting from the exit from farming. Exp. 2012
14. Advocate establishing a farmer-transition program that would allow farmers to sell their land and put the appreciation into a personal retirement account. Exp. 2012
15. Support changes in tax policy that would allow producer members of cooperatives to declare income from their investment only when the cash is actually received. Exp. 2012

16. Support the volumetric ethanol excise tax credit (VEETC) and other tax incentives that promote the expansion of ethanol and renewable fuels. Exp. 2012
17. Actively support legislation to make capital losses fully deductible over a short (preferably 5 year) period. Exp. 2012
18. Support efforts to repeal the alternative minimum tax. Exp. 2012
19. Support expansion of the 1031 provision of the federal tax code to include investment in agricultural value-added ventures. Exp. 2012
20. Support the use of farmer-to-farmer 1031 like-kind exchanges on an acre for acre basis only. Exp. 2012

# NCGA Position

Title: Farm Credit

Position Number: II-D

## Resolution/Position:

1. Encourage Ag lenders to use Farmer Mac and other ways to provide lower interest to Ag borrowers. Exp. 2012
2. Support legislation and/or administrative procedures to maintain the availability of agricultural credit at competitive interest rates in a timely manner. Exp. 2012
3. Oppose consolidation of banking interests that will limit rural lending. Exp. 2012
4. Support beginning farmer loan programs at the federal and state levels. Exp. 2012
5. Modify the lending limits of the USDA-FSA Farm Storage Facility Loan Program up to \$100,000 no mortgage requirement; \$100,000-\$500,000 special loan requirement, 20-year loan term. Exp. 2012
6. Allow local condominium-type storage, allow loans on up to 3 years crop storage capacity, and restricting the CCC collateral requirement to only the actual storage facilities. Exp. 2012

# NCGA Position

Title: Agricultural Immigrant Labor

Position Number: II-E

Resolution/Position:

1. We support enactment of immigration legislation that will provide a sufficient work force for agriculture producers and processors. Exp. 2012
2. Support a federally issued photo identification and fingerprint system that verifies and tracks immigrant's employment status, payment of taxes and removes the burden of proving legal status from the employer. Exp. 2012

### **III. Improving our national infrastructure**

Our competitive advantage depends on a solid infrastructure throughout the U.S. We support upgrading our Transportation System.

# NCGA Position

Title: Transportation Policy

Position Number: III-A-1

Background: Transportation issues are a significant factor in market development for corn and related products. We must aggressively work with the U.S. transportation leaders in the public and private sector to resolve transportation barriers that affect agriculture, both domestically and internationally.

Resolution/Position:

1. User Fees and Taxes Exp. 2012
  - a) Support reasonable or equitable barge user and transportation fees and/or rates.
  - b) Support reasonable rail rates and support equitable allocations of rail cars to elevators.
  - c) Support reasonable costs of accessibility to the Surface Transportation Board.
  
2. Transportation Research Exp. 2012
  - a) Support further research and development of a nationwide transportation network that is economically sound and will provide a foundation for our future agricultural transportation needs.
  - b) Encourage the federal government to identify economic consequences of the inefficiencies of our transportation infrastructure.
  - c) Have a long-term transportation strategy to address domestic and foreign markets. This strategy will be developed from a comprehensive study that includes present and future demand of markets and all modes of transportation.
  
3. Inland Waterways Exp. 2012
  - a) Support the immediate modernization of the inland waterway transportation system with trust funds prioritized for replacing Locks 25, 24, 22, 21 and 20 on the Mississippi River and the LaGrange and Peoria Locks on the Illinois River to 1200 ft. structure, and extending guidewalls at Mississippi Lock and Dams 14 through 18; moorings at Locks 12, 14, 18, and 24; switch boats at Locks 11 through 13.
  - b) Support appropriations for design and improvement of the lock system.
  - c) Oppose using the Inland Waterway Trust Fund for operations and maintenance and major rehabilitation projects.
  - d) The federal government and the U.S. Army Corps of Engineers should repair, maintain, and upgrade the levee systems in the flood control districts to guarantee the continuation of commerce on the navigable waters of the Mississippi River and Missouri River Basins and the continued protection of personal property by the levee systems.
  - e) Encourage the U.S. Army Corps of Engineers Upper Mississippi River Navigation Study group (Navigation and Eco System Sustainability Program) to fully realize the potential of production technology advancements to increase corn yields as well as potential for future foreign demand.
  - f) Support legislation that holds any environmental restoration projects to the same cost/benefit standards as flood control and navigation projects.
  - g) Encourage vigilant watch on the American Heritage Rivers Initiative policy.
  - h) Support management of the Missouri River that places the highest priority on economic uses of the river, i.e., power generation, flood control for agricultural land, navigation and irrigation. NCGA recognizes the recreation and environmental value of the river and will work with others to maintain and enhance recreational and environmental benefits.
  - i) Oppose changes in the U.S. Army Corp of Engineers Missouri River Master Manual that have a negative impact on agriculture because of reduced navigation or potential for spring rises.

- j) Support increased funding for the Corp of Engineers for Streambank Stabilization and Channel Maintenance for the Missouri River.
  - k) All affiliated states will encourage their state legislature to support the lock and dam upgrades.
  - l) Support continued funding and operation of the Kaskaskia River Lock.
  - m) When flood control plans require the flooding of specific tracts of land to protect economic development in other areas, the landowners of the proposed sacrificial property should receive an annual flood easement payment and compensation for physical and economic damages in the event of actual flooding.
4. Rural Highways Exp. 2012
- a) Encourage state and federal funding for the building and upgrading of rural highways and bridges.
  - b) Encourage and fund heavier weight bearing limits for roads around and near intermodal rail yards to accommodate more efficient container shipping.
  - c) Encourage and support the reauthorization of the Federal Highway Act with the following enhancements: ability to increase gross vehicle weights and additional axle configuration or long vehicle configuration on federally funded primary and secondary roads. Allow the grandfathering in of all state current weights and vehicle combinations.
5. Railroads Exp. 2012
- a) Support the retention and upgrading of the rail transportation system.
  - b) Review all rail and transportation mergers and consolidations.
  - c) Encourage the Surface Transportation Board to focus on shipper/receiver needs.
  - d) Support short line and regional rail projects that improve opportunities for efficient and economical movement of corn and corn products and enhance competition.
  - e) Due to the vast number of unlighted rural rail crossings, rail cars should be required to use highly reflectorized tape in the same manner required for trucks.
  - f) Support competitive and nondiscriminatory rate structure for all our nation's railroads.
  - g) Support establishing state and federal matching loans or grants to upgrade short line rails needed to carry heavier weight.
  - h) Support immediate completion of the Dakota, Minnesota and Eastern (DM&E) upgrade.
  - i) NCGA opposes any railroad establishing weight rules detrimental to, or singling out, agriculture. NCGA should work with any railroad to investigate and resolve the recent unequal and more expensive weight restrictions placed only upon bulk agricultural commodities.
  - j) Encourage the rail industry to continue the safe transport of anhydrous ammonia.
6. Support continued regulation of the anhydrous ammonia pipeline industry and oppose all efforts to deregulate this industry. Exp. 2012
7. Propose repeal of the Jones Act, or an exemption for bulk and containerized agricultural commodities and fuels. Exp. 2012
8. Support upgrades for grain export facilities. Exp. 2012
9. Repeal the 4.2¢ deficit reduction fuel tax, still in place on barges and railroads. Exp. 2012
10. We support efforts to improve and expand transportation for the movement of agricultural products by all forms of transportation. Exp. 2012

11. Support the Inland Waterway Trust Fund cost-sharing formula from 50/50 to 75/25 (federal/non-federal) and cap the industry's total share to mitigate project cost increases in light of the inefficiencies which currently exist in the project delivery system. Exp. 2012
12. Oppose any additional Inland Waterway Trust Fund expenditures for the Olmsted lock and dam project until the U.S. Army Corps of Engineers has completed a full evaluation of the project under a new project delivery process approved by the Inland Waterway Users Board which contains definitive costs and completion dates. Any additional funding for completion of the project should be 100 percent federal. Exp. 2012
13. Support a collaborative effort between the U.S. Army Corps of Engineers, Inland Waterway Users Board and stakeholders to develop a new project delivery system which addresses funding inadequacies, project cost overruns and timely completion dates. Exp. 2012

# NCGA Position

Title: Truck Regulations

Position Number: III-A-2

Resolution/Position:

1. Encourage all states, Canada, and Mexico to establish uniform truck standards for safety, liability and cargo insurance for all vehicles operating for hire. Exp. 2012
  - a) Work to ensure trucks and drivers that pass uniform standards are permitted to move freely across borders.
2. Support continuation of farm exemption of Commercial Drivers License (CDL) requirements. Support elimination of travel restrictions for farmers hauling their own farm commodities and equipment. Exp. 2012
3. Oppose the application of transportation regulations relating to drivers of commercial vehicles such as the Federal Motor Carrier Safety Regulations for farmers transporting property for their farming operations. Exp. 2012
4. Oppose withholding of federal transportation funds from states that do not impose additional regulatory burdens on farmers. Exp. 2012
5. Support agreements allowing farmers hauling their farm products into bordering states to utilize farmer licensing and permitting. Exp. 2012

# NCGA Position

Title: Rural Development

Position Number: III-B

Background: NCGA encourages the U.S. Congress to initiate programs that will maximize potential opportunities for farmers and their communities. Engaging farmers in value-added processing, production, and marketing is an important strategy for enhancing farm profitability and fostering the development of their rural communities. This implies creating relationships between producers and their customers with shared risk and reward, enabling the producer to receive a larger share of their customer's dollar by investing management, equipment, processing, time, etc.

Resolution/Position:

Supports:

1. Adding value through local ownership that will maximize farmers profit potential. Exp. 2012
2. New sources of capital and lendable funds for start-up and growth businesses. Exp. 2012
3. NCGA will actively disseminate information sources on how and where to access debt and equity financing for producer owned/invested opportunities to membership. Exp. 2012
4. A secondary market for economic development loans. Exp. 2012
5. The Commodity Credit Corporation loan program for farmer investment new construction or expansion of value-added enterprises. Exp. 2012
6. Encouraging that the USDA Rural Economic Community Development Funds to be prioritized towards farmer owned value-added systems. Exp. 2012
7. An investment tax credit to support farmer owned value-added initiatives. Exp. 2012
8. Further development of programs that provide technical assistance, business planning, feasibility studies, market research and development, technology, incorporation for farmer owned facilities. Exp. 2012
9. Studies which show what corn processing can do for infrastructures and jobs in rural America. These studies should qualify for USDA value-added grant funding. Exp. 2012
10. Actively support full funding (\$40 million) for USDA Rural Development Value Added Producer Grant Program. Exp. 2012
11. Strong involvement by USDA – Rural Development State Offices in the development and scoring of applications of USDA Value-Added grants programs. Exp. 2012
12. Strategies whereby farm income can be positively impacted by both a focus on productivity and a focus on opportunity. Exp. 2012

13. Support implementation of the “rural development component” within the Farm Bill that would help create new corn utilization. Exp. 2012
14. Support rural development grants language that encourages innovative value added efforts that do not depend on construction of facilities and supports market systems between producers and end users. Exp. 2012
15. Value added opportunities for producers to invest up and down the value chain. Exp. 2012
16. Support amending IRS Code Section 521, the certification criteria for producer cooperatives, to certify cooperatives in which more than 50% of the ownership and control is held by producers. Exp. 2012
17. Support review and evaluation of co-op law to facilitate development of rural value-added projects. Exp. 2012
18. Support amending federal law to define a producer owned or controlled business as more than 50% producer-owned or controlled for purposes of producer entities under federal tax, securities, and antitrust laws. Provide exemption for antitrust purposes similar to Capper Volstead exemption but without entity restrictions. Exp. 2012
19. Support amending IRS Code to allow a cooperative or other producer business entity to convert to a newly eligible business structure without a liquidation tax being imposed if, after the reorganization, a majority of the governance and financial rights are held by producers of agricultural products. Exp. 2012
20. Support allowing cooperatives and producers entities with proper disclosure to raise money from patrons and certain qualified investors as certified by the securities division of any state without federal registration. Exempt producer owned or controlled businesses from federal SEC reporting requirements unless securities are traded on a national public exchange. Exp. 2012
21. Support amending SEC authority to grant a permit for an exchange for producers to trade or transfer their interests in producer owned or controlled businesses. Support grant from corn growers to develop model. Exp. 2012
22. Support legislation that would prohibit the taking of property by eminent domain for private economic development. Exp. 2012
23. Support the important work of USDA Rural Development to improve the quality of life and increase economic opportunity in rural America. Be it further resolved that NCGA encourages the long-term funding of the grant, loan and loan guarantee programs administered by USDA Rural Development. Exp. 2012

## IV. Building a solid future for tomorrow's farmers

We support an active research and education commitment by all segments of the corn industry and government.

- A. Research and Commercialization
- B. Commodity Group Cooperation
- C. Structure and the Marketplace
- D. Precision Farming
- E. Communication and Education
- F. Information Programs—Livestock/Poultry

# NCGA Position

Title: Research and Commercialization

Position Number: IV-A

The Research focus at NCGA is to apply scientific knowledge to ensure ever increasing opportunities for corn growers, a profitable corn industry, and a thriving rural economy.

Resolution/Position:

1. We support corn genome sequencing and functionality research and we will pursue action to increase the annual funding for the plant genome initiative with continued leadership through the National Science Foundation (NSF) and other agencies. Exp. 2012
2. NCGA should develop an aggressive strategic plan for public research in functional genomics of corn and focus policy and research dollars to that end. Exp. 2012
3. Work with state affiliates, government, university and industry representatives to execute a comprehensive, national corn research and commercialization strategy based on a stage gate model to expand the utilization of corn and corn products. In order to realize a return on the valuable intellectual properties developed by the NCGA research effort, a program of marketing the technology should be instituted. The returns shall be reinvested in corn grower research and commercialization efforts with the ultimate objective of returning value to the producers. Exp. 2012
4. Support research and development to increase the production efficiency of ethanol. NCGA will support federal funding for the operation of the National Corn to Ethanol Research Center. Exp. 2012
5. Continue the maize trait development program with the goal of developing commercially important genetic traits in corn and capture this value for the producer Exp. 2012
6. Support the development and acceptance of scientifically proven biotechnology products in production agriculture and the processing of agricultural products. Exp. 2012
7. Germplasm Protection: Urge Congress to explore ways to adequately fund USDA's National Seed Storage Laboratory to help maintain the genetic diversity of corn and other crop seed stock important to agricultural production. Exp. 2012
8. Support research into the use of the value-added products generated by the corn industry for livestock and poultry feeding, aquaculture and other new uses. Exp. 2012
9. Support Biobased Products: Exp. 2012
  - a) All agencies purchase biobased products identified by USDA\_as long as the price is not unreasonable, performs as needed, and is available for use.
  - b) Establish an equal footing of validation of biobased products with petrochemical based products by reducing the Building for Environmental and Economic Stability (BEES) and other unreasonable requirements;
  - c) Establish a pathway for approval of intermediate chemicals/feedstocks thus reducing the burden of proof on individual items;
  - d) Strengthen compliance through reducing loophole provisions

10. Facilitate a forum for state/national research representatives to share/explore current and future research opportunities. Exp. 2012
11. Encourage the USDA and DOE to target research dollars toward the development of new uses for corn and corn products. Exp. 2012
12. Support increased funding for food and agricultural research. Exp. 2012
13. Support legislation that would create a federal tax incentive for businesses and individuals who invest in renewable energy related research and demonstration projects. Exp. 2012
14. Support the creation of an independent, peer reviewed granting agency (e.g. NSF, NIH) reporting directly to the Secretary of Agriculture supported through mandatory funding. Exp. 2012
15. We urge Congress to appropriate significant additional funds to support ag research for corn and other crops of economic significance. Exp. 2012
16. We support funding for collaborative research efforts between public and private researchers. Exp. 2012

# NCGA Position

Title: Commodity Group Cooperation

Position Number: IV-B

Resolution/Position:

1. Work with farm organizations, checkoff boards and commodity groups for and in the interest of U.S. agriculture. Exp. 2012
2. Corn Checkoffs Exp. 2012
  - a) Support state checkoffs on all marketable corn, to expand and enhance the use, marketing and efficient production of corn, and to do everything within the capability of the association that will benefit the profitability of the farmer.
  - b) The checkoff should be at a rate sufficient to promote the commodity corn to the fullest extent.
  - c) The producers of specialty corn grown under contract be subject to state corn checkoff assessment programs.
  - d) Support efforts to enhance or implement state corn checkoffs.
3. Work in support of state and national efforts in securing legislation for bio-fuel production incentives. Exp. 2012
4. Support the maintenance of commodity coalitions where interests coincide with corn growers. Exp. 2012

# NCGA Position

Title: Structure and the Marketplace

Position Number: IV-C

Background: A competitive agricultural supply industry is essential to a profitable corn industry that allows the American farmer to be the world's most efficient producer. It assures producers, in the long run, of better products and lower input prices. Similarly, competition among merchandisers and/or end users is vital. Without adequate competition, fair compensation to producers fails to exist.

Resolution/Position:

1. Support a review of anti-trust laws as they pertain to agriculture. Exp. 2012
2. Encourage the federal government to help ensure competitive business practices among agricultural suppliers. Exp. 2012
3. Support policies which encourage the availability of additional supplies of fertilizer, such as removing import tariffs on fertilizer. Exp. 2012
4. Support investigation by proper agencies as to whether the concentration in agriculture is harmful to grain and livestock/poultry producers' profitability. Exp. 2012
5. Urge the Secretary of Agriculture and the Department of Justice to investigate all major transactions which have the potential to adversely affect agriculture's profitability. Exp. 2012
6. Support increased review within the Department of Justice and/or other appropriate agencies to focus on agricultural mergers, acquisitions, vertical integration and price transparency. Exp. 2012
7. Support equitable agricultural contract negotiation law. Exp. 2012
8. Encourage manufacturers and suppliers of farm inputs to price their products worldwide in a way that does not put U.S. producers at an unfair disadvantage. Exp. 2012
9. Encourage a statistical examination of US grain and livestock/poultry pricing methods. Ag Commodity associations such as ASA, NPPC, USB, NCBA and Farm Bureau should assist in this national effort. Exp. 2012
10. Support state warehousing and grain dealer laws. We do not support any federal regulation that would jeopardize state grain indemnity funds and/or state merchandising regulations. Farmers should have adequate notification of any proposed changes in federal warehousing and merchandising regulations before changes are enacted in statute or regulation. Exp. 2012
11. Strongly encourage state warehouses and grain dealers, when given the choice between a state grain indemnity fund and a federal warehouse fund, to participate in that program which best serves its producers. Exp. 2012
12. Requests USDA to improve the accuracy of supply reports. Exp. 2012

13. Recommend that NCGA support legislation to require USDA monthly crop reports (August, September, October, November) be published or released by the 6<sup>th</sup> business day of the month. Exp. 2012
14. NCGA will oppose an increase in daily trade limits on all commodity exchanges, conduct a review of daily trading limits and cost of options . Exp. 2012
15. We support construction of a new Alaska natural gas pipeline. Exp. 2012
16. NCGA should investigate options to protect farmers prepayment of crop inputs. Exp. 2012

# NCGA Position

Title: Precision Farming

Position Number: IV-D

Resolution/Position:

1. Information gathered by precision farming practices should remain the sole property of the farm operator excluding any other contractual arrangement. This information should not be used, released, or sold without their consent. Exp. 2012
2. Encourage designers of precision farming equipment to use communication standards to make their products compatible with other brands of software and hardware. Exp. 2012

# NCGA Position

Title: Communication and Education

Position Number: IV-E

Background: U.S. corn growers, as part of the corn industry, will positively position the value of corn and corn production.

Resolution/Position:

1. Accountability Exp. 2012
  - a) Emphasize the value of NCGA membership.
  - b) Communicate how checkoff dollars are invested to benefit all corn producers.
  - c) Encourage all corn grower members to participate in the development and evaluation of all NCGA programs.
2. Political Involvement Exp. 2012
  - a) Encourage individual corn producers to be more politically active.
  - b) Encourage the promotion of the Corn Political Action Committee.
3. Consumer Communications. Broaden communications to consumers regarding corn and its value-added products. Exp. 2012
4. Education Exp. 2012
  - a) Encourage cooperation of agricultural groups for the development of academic standard based agricultural classroom materials.
  - b) Work toward developing an advisory panel consisting of farm organizations, education institutions, agribusinesses, and commodity groups. This panel would be available to identify and review educational and other materials for agricultural accuracy.
  - c) Support the continued education of farmers on current and emerging issues.
  - d) Support the coordination of education programs with Extension, FFA and 4-H dealing with corn grower programs.
  - e) Expand public awareness of corn-based products through the development and use of uniform logos and trademarks on consumer packaging.
  - f) Support education about carbon credit trading.
5. Farmer Image Exp. 2012
  - a) Encourage and work with agribusiness companies and organizations to improve and promote the positive image of production agriculture by:
    - i) Being more selective of the advertising markets they choose.
    - ii) Using advertisements that portray agriculture as a modern, efficient, and environmentally responsible business.
    - iii) Focusing more on the environmental concern and stewardship of producers and their ability to produce for a global market.
  - b) Disparagement: Support the passage of legislation, which provides recourse for farmers who suffer economic damage from the dissemination of misleading or otherwise false information about agricultural products and/or practices.
6. Producer Communication Exp. 2012
  - a) Support efforts to provide high-speed data, voice and video technologies to corn growers.
  - b) Encourage competition to provide increased access and lower cost service that is balanced with the needs of rural and other captive customers.

7. Support passage of "Small Business Health Fairness Act". Exp. 2012

# NCGA Position

Title: Information Programs-Livestock/Poultry

Position Number: IV-F

Resolution/Position:

1. NCGA, in conjunction with member states, shall implement a comprehensive program to educate potential users of corn and its co-products as a livestock/poultry feed. Exp. 2012
2. Farm Animal Welfare Exp. 2012
  - a) Assure the public, through education, that American animal agriculture is humane.
  - b) Support responsible livestock/poultry production and oppose restrictive legislation. Recognize the importance of proper animal care, rather than animal rights.
  - c) Support educational efforts that enhance consumer understanding of the economic value of responsible livestock/poultry producers to rural communities.
  - d) Recognize the Pork Quality Assurance (PQA), Beef Quality Assurance (BQA), Dairy Quality Assurance (DQA), and NCC Animal Welfare Guidelines and Audit Checklist by the National Chicken Council as programs towards a system of herd management, and animal stewardship that will "Maximize consumer confidence in, and acceptance of, pork, beef and poultry by focusing the producers attention to DAILY PRODUCTION PRACTICES that influence the safety, wholesomeness, and quality of pork, beef and poultry products through the use of science, research, and education initiatives."
  - e) Support the Humane Slaughter Act as regulated by the USDA and the Meat Packing Industry.
  - f) Changes to animal well-being guidelines should be based on sound data, expert analysis and economic feasibility.
  - g) Encourage National Corn Growers Association and State corn organizations to work with their livestock organizations to develop Animal Welfare Coalitions.
3. Encourage livestock/poultry producers to give priority to maintaining high quality water, soil, air and vegetation as they locate new production facilities or enhance current structures. Exp. 2012
4. Support grazing as a part of the multiple use of federal lands. Exp. 2012
5. Urge the Federal and state governments, when determining siting requirements for CAFOs, to establish reverse separation distances between CAFOs, homes and businesses. Exp. 2012
6. NCGA support a national effort to develop systems to address environmental concerns related to CAFOs. Exp. 2012
7. Livestock producers should not be required to implement husbandry practices that increase the death rate of their animals, increase the incidence and severity of injury of their animals, increase public health risk from consumption of their products and cannot be shown to improve the well-being of their animals. Exp. 2012

## V. Leaving our world in better shape than we found it

Farming using Best Management Practices (BMP) will improve the environment.

- A. Environmental Policy
- B. Water Quality
- C. Crop Protection Use Policy
- D. Conservation Programs

# NCGA Position

Title: Domestic Environmental Policy

Position Number: V-A-1

Background: Corn growers are very concerned with the health and well-being of American citizens and are mindful of the need to balance environmental stewardship with the need for a long-term, dependable food and energy supply and necessity for long-term profitability in farming. We support interaction with any organization that shares our concern for the environment.

Resolution/Position:

1. Support a domestic environmental policy based on sound science. Exp. 2012
2. Actively work on reform of the Endangered Species Act. Exp. 2012
3. If any public environmental demands or regulations are placed on private land, the loss of income, loss of property value including the cost of capital improvements to make those changes should be paid by the public. Exp. 2012
4. Water Flows Exp. 2012
  - a) Urge federal government agencies to fully consider impacts of regulating water flows on agriculture.
  - b) Urge all federal, state and local governmental agencies to expeditiously repair water retention and protection structures damaged by flooding to protect all cropland producers who wish to keep their land in production.
  - c) Support individual's water rights.
5. While noting the importance of eminent domain for the orderly growth of our country and the expansion of our land transportation system, we oppose any government action that would infringe upon property owner's rights without appeal and proper compensation. We also recognize the importance of conserving agricultural land for future generations and oppose the unnecessary use of Eminent Domain to convert agricultural lands to other uses. Exp. 2012
6. Natural Resource Policy. Encourage a system that incorporates local farmer input as a model for dealing with farm-related environmental issues and regulations. Exp. 2012
  - a) Encourage the development of local resource planning groups composed of agricultural landowners and producers to address local conservation and environmental issues.
  - b) Encourage the utilization of organizations and government agencies as technical advisers to the local resource planning group.

Producer Notification: The Environmental Protection Agency (EPA) and the U.S. Department of Agriculture (USDA) shall issue timely notification of regulatory changes to allow individual producers adequate lead time to adjust agricultural production practices. Exp. 2012

7. Conservation/Tax Policy Exp. 2012
  - a) Encourage states to enact legislation providing tax incentives for crop land converted to filter strips.
  - b) Oppose taxes on the usage of crop inputs as an effort to reduce their usage.
  - c) Recommend legislation be enacted to allow farmers and landowners income tax credits for approved conservation structures and practices.
  - d) Support a change in the U.S. tax code to allow tax deductibility for permanent conservation practices to land owners who cash rent their land.
8. Support farmland protection and smart growth partnerships that would provide funding, in matching grants to states, communities, tribes and land trusts, for the purchase of development rights with the underlying fee running with the land to be used on farmland threatened by development. This program should be administered by USDA. Exp. 2012
9. Support state corn grower association efforts to secure federal funding for state water quality efforts. Exp. 2012
10. We support sound science-based efforts to address air quality. Current efforts by the EPA to regulate agricultural dust go beyond what is reasonable or sound science-based and should be reevaluated. Exp. 2012
  - a) We support gathering more data and science about the human health effects of agricultural dust.
  - b) Additionally, we support Congressional oversight to review the effects of air quality standards on agriculture to ensure they are workable.
  - c) We oppose mandatory air quality standards for ozone and particulate matter on agriculture.
11. Require that any new environmental regulations show a positive cost and risk benefit analysis before implementation. Exp. 2012
12. We believe agricultural environmental standards should not be more strict than industry and municipal standards. Exp. 2012

# NCGA Position

Title: Global Climate Change

Position Number: V-A-2

Resolution/Position:

1. NCGA should fully explore through policy research the impacts of climate legislation on agriculture , for example; a cap and trade or other systems. Exp. 2012
2. In the event Climate legislation is introduced, the agriculture sector must not be capped and must be afforded an opportunity to contribute via the market for offsets. Artificial caps will prevent legitimate carbon sequestration, livestock methane capture, and manure gasification projects from occurring. Exp. 2012
3. Support the designation of qualified offsets that will be acceptable in a cap and trade program. Exp. 2012
  - Qualified offsets must be real, additional, verified, registered, fungible, and permanent (or of contracted duration).
4. NCGA should ensure that carbon cap and trade legislation addressing climate change issues incorporate the following conditions: Exp. 2012
  - a) Energy costs to business, industry and consumers must remain affordable for our economy to compete in the global marketplace
  - b) Growers of crops must be able to derive sufficient economic benefits from a voluntary enrollment sequestration environment to adequately incentivize their participation and to materially offset the increases in production costs arising from a cap and trade program.
5. In the event climate legislation is introduced the agriculture sector should be fully rewarded for all verifiable GHG emission reductions. Any climate legislation passed should not restrict private property rights nor penalize or impede producers from utilizing the best and most efficient farming practices for their operation. Exp. 2012
6. Support federal funding for thorough life-cycle analysis of corn production and the end uses of corn, including livestock and corn-to-ethanol technology. Exp. 2012
7. The cap and trade system design should reward early actors in uncapped sectors for incremental reductions after a specified date. The cap and trade system design must identify and guard against potential perverse outcomes such as the temporary cessation of a practice in order to restart the same practice as a qualified additional project earning offsets. Exp. 2012
8. Encourage the Department of Energy (DOE) to support policy, research, and infrastructure directed to the use of using corn cobs, stover, and corn kernel fiber as a fuel to generate steam and electricity and as a source of cellulosic feedstock for ethanol. Benefits include replacement of fossil fuels, a reduction of the carbon footprint, and a significant improvement to the energy ratio for growing and processing corn for ethanol in the near term. Exp. 2012
9. While the Environmental Protection Agency (EPA) will be the administrator of a cap and trade program, the USDA should be the developing agency with respect to the agriculture offset project rules. Exp. 2012

# NCGA Position

Title: Water Quality

Position Number: V-B

Background: The quality of water is a critical national issue, and the efficient use of nutrients is essential for profitable crop production.

Resolution/Position.

1. Urge the appropriate federal and state agencies to work with universities, commodity groups and general farm organizations to: Exp. 2012
  - a) Urge the Environmental Protection Agency (EPA) to use scientifically sound health-based maximum contaminant levels (MCL) when establishing the rules for restricted use crop protection products and nutrients. State governments should use the federal standards for evaluating any need for remedial action.
  - b) Determine the methods and quantities by which contaminants enter water.
  - c) Research effects of such contaminants on human health and environment.
  - d) Acknowledge that the best way for producers to do their part in protecting the quality of our water resources is through the recommended use and safe handling of fertilizers and crop protection products. Develop and prove best management practices to protect water quality and educate farmers in their implementation.
  - e) Make the goal of maintaining and achieving quality water the mutual responsibility of all rural, urban and industrial users of water.
  - f) Acknowledge the importance of responsible nutrient use in profitable crop production.
  - g) Use state land grant university developed nutrient management recommendations for their programs.
2. Support continued funding for federal non-point source pollution programs authorized by the Clean Water Act. Exp. 2012
3. Support defending the word "Navigable" in the Clean Water Act. Exp. 2012
4. Encourage all contractors, state agencies and individuals to properly close all test wells, abandoned wells and boreholes to protect groundwater. Exp. 2012
5. Whether agriculture contributes to hypoxia should be determined based on sound scientific facts. We support the right of growers to voluntarily develop a plan of action to address the agricultural non-point source portion of the plan developed by the interagency task force addressing hypoxia in the Gulf of Mexico. We believe the plan's goals and objectives can best be administered at the local level through soil and water conservation organizations and farm groups. Exp. 2012
6. Support an independent peer review of the original findings that non-point source runoff is the major cause of hypoxia in the Gulf of Mexico. Exp. 2012
7. Support voluntary non-point source programs to assist farmers in achieving water quality goals. Exp. 2012
8. Support research on the impact of site specific application technology on the environment and agriculture. Exp. 2012

9. Encourage any guidelines for watershed nutrient management to be constructed through watershed and statewide stakeholder input. Exp. 2012
  - State Departments of Agriculture should manage nutrient application issues.
  - Continue promoting programs to educate producers on the benefits and need for voluntary Best Management Practices.
10. All Total Maximum Daily Load (TMDL) implementation plans for watershed protection programs should remain voluntary, be incentive based, and provide for farmer input into the decision-making process concerning TMDL assessment and monitoring. Exp. 2012
11. NCGA believes that manure applied on cropland at agronomic rates using Best Management Practices should not be considered point source pollution under the provisions of the Clean Water Act. Exp. 2012
12. Water quality cost share assistance programs, such as EQIP, should be made available to livestock/poultry facilities without bias to size or location. Exp. 2012
13. Identify water quality, equity and usage- issues that affect corn producers, ultimately leading to future water policies. Exp. 2012
14. Support the concept of science-based surface and groundwater monitoring on a local, watershed basis to provide a baseline set of data and to help determine the extent and sources of water quality impairment. Historical monitoring data should be considered when setting nutrient standards for surface water. Exp. 2012
15. Encourage EPA to adopt science-based water quality standards that are reasonably attainable for the TMDL process. Exp. 2012
16. Encourage farmer involvement and participation in watershed planning committees and state technical committees. Exp. 2012
17. Support industry, urban and agricultural practices which continue to minimize sedimentation. Exp. 2012
18. We oppose any legislation which would remove or redefine the word “navigable” from the Clean Water Act and put all water bodies, regardless of size, under Federal jurisdiction. Exp. 2012

# NCGA Position

Title: Crop Protection Use Policy

Position Number: V-C

Background: The Environmental Protection Agency (EPA) should recognize the importance of crop protection products as effective and economical corn production tools, and should recognize that, over the past few years, manufacturers of these products and corn growers have voluntarily initiated and adopted changes in use rates, application practices and additional best management practices (BMP) that have resulted in significant decreases in total volumes applied and significant increases in soil and water protection measures. We urge EPA to objectively evaluate the risks and benefits of these crop protection products using the best available science.

## Resolution/Position:

1. Farmers should not be held liable if they use products according to label directions and generally accepted agronomic practices. Exp. 2012
2. Encourage all producers to become certified applicators of restricted-use crop protection products. Exp. 2012
3. Support efforts to increase the testing, research and adoption of science-based, environmentally safe methods and products for the control of pests and diseases. Encourage the use of these methods by agriculture. Exp. 2012
4. Mandatory record keeping of crop protection products should be limited to restricted-use crop protection products. Confidentiality of the individual's records should be maintained. Exp. 2012
5. Support the FQPA to take precedence over local crop protection product regulation. Exp. 2012
6. Oppose efforts by EPA to require implementation of pesticide management plans. Support individual state water quality plans. Exp. 2012
7. In its review of the registration of the triazines, EPA should recognize the importance of these products as effective and economical corn production tools that work well with conservation tillage. Exp. 2012
8. Encourage and support the labeling of all crop protection product containers to clearly state the trade names and the amount of each chemical in a premix product, as well as the disclosure of this information in print advertising and promotional materials. Exp. 2012
9. Require a cost risk/benefit analysis for the registration and re-registration of crop protection products. Exp. 2012
10. When addressing risks of crop protection product residues in food, the most scientifically reliable estimates of risk and exposure should be used. Exp. 2012
11. Require that any new environmental regulations show a positive cost and risk benefit analysis before implementation. Exp. 2012

12. Oppose EPA efforts to implement zero tolerance or unrealistic spray drift policies or otherwise attempt to implement drift policy on a case by case basis. Exp. 2012
13. With the passage of the FQPA, we recommend that the EPA move expeditiously to: Exp. 2012
  - a) Make decisions based on sound science instead of based on default assumptions.
  - b) Register new crop protection products.
  - c) Release regulations and tolerances for products that have completed data.
14. Support the use of counterpart regulations to clarify the process of pesticide reviews under FIFRA and endangered species reviews under the Endangered Species Act. Exp. 2012

# NCGA Position

Title: Conservation Program

Position Number: V-D-1

Resolution/Position:

1. Cost-Share Programs. Urge USDA to fund conservation cost-share programs with local farmer-elected committee oversight. Exp. 2012
2. Urge the Natural Resources Conservation Service (NRCS) to provide technical and financial assistance and educational resource planning programs to agricultural producers to help them meet society's expectations for clean water, clean air and healthy land. Exp. 2012
  - a) Urge Congress and USDA to ensure that adequate technical assistance is available to agricultural producers to help them address conservation challenges.
  - b) Urge Congress and USDA to look at a long-term view of budgeting for technical assistance that balances national priorities with local needs.
  - c) Encourage USDA to explore the use of multi-year agreements when arranging Technical Service Providers (TSPs) to address year-to-year fluctuation of financial assistance.
3. Encourage NCGA state affiliates and individual growers to participate in state technical committees. Exp. 2012
4. Support compensating producers who already utilize conservation practices in the event that a portion of future program payments are based on switching to such conservation practices. Exp. 2012
5. Support matching federal funds to state and local governments for research and education to adapt conservation practices to a modern agriculture. Exp. 2012
6. Conservation programs should be uniformly implemented. Exp. 2012
7. Oppose the public use of private lands enrolled in conservation programs without owners permission. Exp. 2012
8. Funds should be made available for agricultural uses from Environmental Quality Incentive Program (EQIP) on a cost-share basis for environmental conservation practices. Exp. 2012
9. Support voluntary programs that create environmental incentive payments for implementation of conservation practices. Exp. 2012
10. Conservation Reserve Program (CRP) and Wetlands Reserve Program (WRP) contracts should be administered as the contract was written with original intent maintained. Exp. 2012
11. Support conservation cost-share work to be done after the 8<sup>th</sup> year of a 10-year CRP Contract without forfeiture of CRP payments. Exp. 2012
12. Support using EQIP funds for livestock operation odor control mechanisms. Exp. 2012

13. Support significant improvements to the application, selection and implementation process with regard to the Conservation Security Program (CSP) so that the program's provisions are fairly applied to all eligible growers. Exp. 2012
14. Conservation Compliance Exp. 2012
  - a) Urge conservation plans to incorporate sound acceptable cultural practices for the area and provide for the economic capability of the producer to implement the plan according to a defined timetable.
  - b) Recommend that the USDA allocate the necessary resources to adequately and fairly implement the conservation compliance requirements of current and future farm acts, including continued research to update the universal soil loss equation.
  - c) Penalties assessed to commodity program participants, under the conservation provisions of the Farm Bill, should only be the amount of the payments received on the tract found to be out of compliance.
15. Urges USDA to retain local farmer elected committee oversight of cost-share programs and the Conservation Security Program. Exp. 2012
16. Support funding conservation incentives from sources other than the commodity title. Exp. 2012
17. Support a conservation program available for all corn growers that rewards them for best management practices used in their operations. Exp. 2012

# NCGA Position

Title: Swampbuster and Sodbuster Programs

Position Number: V-D-2

Resolution/Position:

1. The Swampbuster provision should not apply to lands cropped or considered cropped during any one year of the 1981-1985 period. Federal program benefits should be denied only to those lands broken after the enactment of the legislation. Exp. 2012
2. Any penalties assessed by the county Farm Service Agency (FSA) committee for violations of the current regulations should be comparable to the severity of the infractions. Exp. 2012
3. Swampbuster and sodbuster provisions should have clear and concise definitions, with the National Resources Conservation Service (NRCS) being the sole regulatory agency. Exp. 2012
4. Support a simplified, timely and equitable dispute resolution process. Exp. 2012
5. Support the rights of farmers and drainage districts to repair, upgrade, and maintain all public and private drainage systems. Exp. 2012
6. Support the rights of farmers and drainage districts to drain, improve or maintain any land that has been changed by wind, floods or any forces beyond the farmer's control. Exp. 2012
7. We support wetland policies where new wetlands be only from voluntary sources, be specifically targeted (not whole farms) and not result in a loss of fertile cropland suitable for farming. Exp. 2012
8. Proper compensation should be provided to property owners, drainage districts and other units of local government if delineation of a parcel of land as a wetland results in an economic loss. Exp. 2012
9. Support mitigation banking for agricultural wetland conversions utilizing a values and functional use criteria which is reasonable and reciprocal. Exp. 2012
10. Delineation of agricultural wetlands should be made by soil and water district boards, with state NRCS offices providing standard interpretation of wetland guidelines. Exp. 2012
11. Support a paid wetlands reserve program. Exp. 2012
12. A minimal effects system should be developed and implemented that would permit acreage with little or no wetland value to be exempt from regulation under Section 404 and Swampbuster. Exp. 2012
13. To be classified as a wetland, a parcel of land must exhibit during the growing season (to be defined as historical average of frost-free days in the geographic area) all three of the following criteria: Exp. 2012
  - a) Hydric soils.
  - b) Hydrophytic vegetation.
  - c) Saturation to the soil surface for 21 days or standing water for 15 days following normal rainfall.
14. Maps used for wetland determinations must accurately reflect the above criteria. Farmers should have the right to local on-site determinations, if they wish. Exp. 2012

15. Oppose wetlands determinations based on the 15 days standing water criteria that resulted from failure of internal drainage due to high river stages. Exp. 2012
16. We believe all land farmed and/or where conversion was commenced or was within a drainage district prior to December 23, 1985, should be considered prior converted and exempted from further regulation. Exp. 2012
17. Appropriate agencies should conduct educational programs to encourage the voluntary conservation of wetlands. Exp. 2012
18. Wetlands guidelines should allow the benefits of agricultural conversion to be considered in the Section 404 permitting process and the determination of farm program eligibility. Exp. 2012
19. State wetland regulations should be no more restrictive than comparable federal guidelines. Exp. 2012
20. The scope of wetlands regulation should be limited to wetland areas of 5 acres or larger. Exp. 2012
21. Sunsetting of wetland determinations and certifications should be discontinued. Exp. 2012
22. All regions of the country should use the same wetland hydrology criteria with no exception areas such as prairie potholes and playa lake regions. Exp. 2012
23. Support all federal regulatory agencies claiming jurisdiction over wetlands being required to identify and coordinate their areas of jurisdiction and to submit proposed rules to public comments to avoid abuse of authority and to prevent overlapping regulations at any specific site. Exp. 2012
24. We support streamlining the process of modernizing drainage districts especially in the area of wetland and farmed wetland mitigation. Exp. 2012
25. NCGA opposes the sodsaver provision of the 2008 Farm Bill and requests that the Governors of affected states not opt in. Exp. 2012

# NCGA Position

Title: Conservation Reserve Program

Position Number: V-D-3

Resolution/Position:

1. Support enrollment into and renewal of the Conservation Reserve Program (CRP) and Conservation Reserve Enhancement Program (CREP) contracts targeted to the most environmentally sensitive land, such as: Exp. 2012
  - a) Field borders, large waterways, filter and buffer strips and other areas needed for conservation compliance. If areas above are included, then grazing would be allowed during non-growing seasons. These targeted areas should be allowed to be managed in such a manner that would not disrupt the normal management of the entire field.
  - b) Other land that Natural Resources Conservation Service (NRCS) designates as environmentally sensitive lands.
  - c) Encourage USDA to enroll partial fields with the intent of targeting the most environmentally sensitive areas.
2. Oppose permanent easements. Exp. 2012
3. USDA to ensure that payments for whole field enrollments do not exceed county average rental rates for similar land capability classes. Exp. 2012
4. Urge that CRP rental rates should be adjusted to keep environmental and/or significant wildlife habitat sensitive lands in the CRP program. Exp. 2012
  - a) Review and update land rental rates as needed
  - b) Pro-rate land rental rates based on sensitivity
5. Urge Secretary of Agriculture to allow individual states to start on conservation work prior to the land coming out of the CRP Program. Exp. 2012
6. Promote and support the voluntary enrollment under the continuous enrollment provision of CRP including: Exp. 2012
  - a) wildlife habitat/food plot areas
  - b) filter and buffer strips
  - c) established waterways and turn rows
  - d) other partial field enrollments impacting water quality
7. Support the rights of farmers to bring land back into production at the end of their CRP contract. Encourage utilization of sound conservation practices as land is returned to production. Exp. 2012
8. Support allowing mechanically harvested hay crops as an acceptable rotation crop for CRP eligibility. Exp. 2012
9. Support the fall harvesting of biomass on a percentage of CRP acres if a market for biomass is available. In the event such as a harvest takes place, CRP program payments on those harvested acres will be forfeited for that year; but there will be no other penalties and the contract will remain intact. Exp. 2012

10. We support shifting any government savings from early release of CRP acres to further enhance conservation efforts on working lands. Exp. 2012
11. Support the establishment of an E-CRP (Energy and Conservation Reserve Program). This program would mimic and expand the BCAP (Biomass Crop Assistance Program) established under the 2008 farm bill, which makes farmers within qualified areas eligible to receive assistance to cover the cost of establishing and bringing to production, perennial biomass crops. While most perennial biomass crops can serve as filter strips and wildlife cover, under E-CRP these crops will be primarily managed for biomass production. Exp. 2012
12. Oppose any efforts to allow an "early out" of Conservation Reserve Program contracts without penalty. However, methodology of breaking contracts should be changed to focus on the farmer and/or landlord being required to pay off the remaining years of contract and reimburse establishment costs provided for by USDA. Exp. 2012