

NATIONAL BARLEY GROWERS ASSOCIATION
600 Pennsylvania Avenue, S.E., Suite 320, Washington, D.C. 20003
Phone: (202) 548-0734 Fax: (202) 969-7036
Contact: Dale Thorenson; E-mail: dthorenson@gordley.com

FEBRUARY 2010 POLICY PAPER

FARM PROGRAMS & POLICY

1. NBGA opposes reopening the 2008 Farm Bill.
2. NBGA opposes reductions in direct payment limitations, AGI limits and funding for the crop insurance program.
3. NBGA opposes the elimination of base acres and related payments on federal lease land.
4. NBGA supports funding to upgrade information technology systems at USDA-FSA and USDA-RMA.

RESEARCH

1. NBGA supports the FY 2011 federal research funding priorities established by the National Barley Improvement Committee.
2. NBGA supports increasing Agricultural and Food Research Initiative funding from \$262 million in FY10 to \$429 million in FY11 but not at the expense of current ARS and NIFA programs.
3. NBGA supports the research and commercialization of transgenic barley by the US barley industry.

TRADE

1. **WTO Negotiations:**
 - a. NBGA calls on the US trade negotiators to preserve the ability of Congress to formulate an effective safety net for the U.S. barley industry.
2. **Bilateral Negotiations**
 - a. NBGA supports the administration's efforts on the Trans-Pacific Partnership (TPP).
 - b. NBGA encourages Congress to reform issues pertaining to the Trade Adjustment Act.
 - c. NBGA opposes exclusions of any commodities as part of a bilateral trade negotiation process.
 - d. NBGA supports passage and implementation of the following free trade agreements:
 - i. Colombia Free Trade Agreement.
 - ii. Panama Free Trade Agreement.
 - iii. South Korean Free Trade Agreement.
 - e. NBGA supports implementation of Trade Promotion Authority (TPA).
3. **Urea and Ammonium Nitrate Import Tariffs:** NBGA supports immediate suspension of U.S. anti-dumping import tariffs on urea and ammonium nitrate products.
4. **State Trading Entities:** NBGA supports a direct linkage between reform of State Trading Enterprises (STEs) and elimination of export subsidies.

5. **Trade Sanctions**
 - a. NBGA opposes U. S. trade sanctions against other countries which inhibit market opportunities for U. S. barley producers.
 - b. NBGA supports increased trade and travel with Cuba.
6. **China** – NBGA strongly urges the Administration to aggressively pursue China's compliance with their WTO Accession Agreement.
7. **Market Development:** NBGA supports full funding of USDA-FAS programs (e.g. MAP and FMD) as authorized in the 2008 farm bill.
8. **Trade Liberalization Enforcement:** NBGA insists that the WTO take immediate steps to enforce compliance with previously negotiated commitments. Countries failing to comply with their commitments should be excluded from the benefits of trade liberalization.
9. **Export Credits:** NBGA supports the Export Credit Working Group position of harmonizing reductions in the U.S. export credit program with reductions of EU export subsidies.
10. **Embargoes and Sanctions:** NBGA opposes all trade embargoes or sanctions which inhibit the free export of all US agricultural products.

CROP INSURANCE / RISK MANAGEMENT

1. **Malt Barley Endorsement Options:** NBGA supports adjusting the malt barley endorsement to more accurately reflect malt industry quality standards; including accepted varieties, protein grades, germination, mold damage, thins and DON.
2. **Unit Structure:** NBGA supports optional unit structure and revenue assurance for malting barley.
3. **New Product Development:** NBGA encourages USDA-RMA to implement the amendment to section 508h of ARPA as intended by Congress in the 2008 farm bill.
4. **Specialty Type Insurance:** NBGA supports the Specialty Type Barley insurance product and requests clarification and consistency in APH (yield) certification.
5. **Crop Insurance Reform:** NBGA supports the implementation of crop insurance reform, including but not limited to enhancement of current products, development of new products, and development of the infrastructure (e.g. information technology) necessary for reform to occur.
6. **Modification of Existing Crop Insurance Programs:** NBGA supports using an 80% of "T" yield to mitigate multi-year crop losses or utilization of a replacement "T" yield that reflects actual coverage levels.
7. **Irrigated Coverage:** NBGA urges the Risk Management Agency to allow irrigated coverage on acreage that suffers loss due to a change of government policy or other external forces beyond the control of the producer.
8. **Revenue Policies:** NBGA supports the expanded availability of revenue policies for barley which insure producers for yield, quality, and price risk.

9. **Multi-peril Crop Loss:** NBGA supports a multi-peril crop loss exceeding 90% of the crop value be written off as a total loss.
10. **Audits:** NBGA opposes the \$100,000 automatic audit trigger and supports a more market-based trigger.

GRAIN QUALITY

1. **Grain Testing:** NBGA recommends GIPSA continually review testing equipment, technology, and certification and only report results within the accuracy of the technology.
2. **Mold Damage:** NBGA recommends more uniform analysis of mold damage between FGIS and the barley industry.

TAXES

1. **Depreciation:** NBGA supports continuation of Section 179 of the IRS Code dealing with accelerated depreciation at not less than current levels.
2. **Capital Gains:** NBGA supports a reduction of capital gains tax for long term properties.
3. **Estate Tax Exemption:** NBGA supports the exemption of the first five million dollars at a 35% rate of estate tax for family farms.
4. **Excise and State Beer Fees & Taxes:** NBGA opposes increases in beer excise taxes and/or related fees.

TRANSPORTATION

1. **Railroad Competition Arbitration and Service:** NBGA supports passage of S.2889 (Rail Competition and Service Improvement Act).
1. **Alliance for Rail Competition:** NBGA will continue its activity and support of the Alliance for Rail Competition (ARC).
2. **Rail Mergers:** NBGA opposes rail mergers and asks that U. S. producers be assured competitive access to all North American destinations.
3. **Truck Weight Limits:** NBGA encourages Congress to lift the freeze on truck weight limits on interstate and defense highways.
4. **Intrastate Commerce:** NBGA supports the exemption of farm trucks from U.S. Department of Transportation Interstate Commerce regulations when hauling commodities between two points within a single state.
5. **Waterways:**
 - a. NBGA supports full funding for completion of the Columbia River channel improvement project.
 - b. NBGA opposes draw-downs and/or breaching of dams on rivers that would restrict barge traffic.
 - c. NBGA supports reform of the Jones Act, which would authorize reflagging of foreign built ships to allow shipment of U.S. agriculture products.
 - d. NBGA supports funding for river system maintenance.

6. **Bumper Exemption:** NBGA supports an exemption of bumpers on agricultural trucks.
7. **Hours of Service:** NBGA supports the current U.S. DOT 100-mile agricultural hours of service exemption.
8. **Ag Exemption:** NBGA supports maintaining the current 150-mile ag exemption from U.S. DOT regulations whether intrastate or interstate travel.

ENERGY

1. **Renewable Energy:** NBGA supports the concept of the “25 by ‘25” vision that has the goal of U.S. agriculture providing a minimum of 25% of the energy consumed in the United States by year 2025.

ENVIRONMENT AND CONSERVATION

1. **Conservation Reserve Program:**
 - a. NBGA supports the Conservation Reserve Program (CRP); however, future enrollments should be limited to environmentally sensitive land only.
 - b. NBGA supports maintaining penalties for early contract withdrawal.
 - c. NBGA supports clear, uniform CRP rules on re-establishing base on expiring CRP contracts.
2. **Conservation Stewardship Program (CSP):**
 - a. NBGA supports the CSP as a consistent, equitable and fully funded stand alone program.
 - b. NBGA supports transferring CSP program administration from NRCS to FSA.
 - c. NBGA supports CSP be aligned with FSA entity rules.
3. **Conservation Compliance:** NBGA supports basing the determination of whether a producer has achieved "substantial reduction in soil erosion" on the basis of his/her overall progress since the initial implementation of his/her plan.
4. **Bureau of Reclamation Irrigation Project:** NBGA urges Congress to work closely with the Administration to resolve conflicts between the conservation of endangered species and western U. S. water needs and thereby ensure that the Bureau of Reclamation irrigation projects are not disrupted and farmers are not denied their legal water rights.
5. **Pesticide Harmonization:**
 - a. NBGA supports Administration and Congressional efforts to accelerate registration harmonization between the U. S., Canada, and Mexico for crop protection products used on barley, wheat, and canola.
 - b. NBGA supports a joint North American label.
6. **IR-4 Funding:** NBGA supports \$12 million in funding for the IR-4 program to assist in the registration of crop protection products for minor uses like barley.
7. **Endangered Species Act (ESA) reform:** NBGA supports legislation to preserve biodiversity by providing incentives and flexibility in recovering endangered species.
8. **Air Quality:**
 - a. NBGA opposes EPA's proposed rule to tighten ozone standards and to set new standards for fine particulates.

- b. To encourage producers to adopt “green technology”, NBGA supports implementation of tax credits for purchasing equipment that includes tier four engines.
- 9. **Carbon Sequestration:** NBGA supports monitoring the evolving market for carbon sequestration.
- 10. **Water Quality:**
 - a. NBGA opposes EPA mandated Total Maximum Daily Load (TMDL).
 - b. NBGA supports continued technical assistance and incentive-based water quality programs at the local level.
- 11. **Wetlands:** NBGA urges the Natural Resource Conservation Service (NRCS) and the Army Corps of Engineers to allow maximum flexibility in the use of mitigation to assist landowners in managing wetlands.
- 12. **Fuel Storage Regulations:** NBGA supports an agricultural exemption to above ground fuel tank secondary containment regulations.
- 13. **Climate Change Legislation:** NBGA will support federal climate change legislation that results in a net economic benefit to US barley producers based on comprehensive, science-based analysis. NBGA does request that USDA conduct comprehensive, detailed scientific and economic analysis of that legislation or regulation prior to its implementation. NBGA opposes any implementation of greenhouse gas legislation or regulation until other major carbon emitting countries agree to similar regulations and costs.
- 14. **EPA Regulation:** NBGA supports an ag exemption for EPA regulation of greenhouse gases.

FARM LABOR

- 1. **Guest Worker Program:** NBGA supports a workable guest worker program that secures the borders of the United States and provides a legal, affordable, and stable workforce for agriculture.