California Association of Wheat Groweres

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Newsletter

April 1, 2011

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In This Issue

ANNUAL BOARD MEETING ANNOUNCEMENT

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Dear CAWG Member:

The 2011 Annual Meeting of the California Association of Wheat Growers will be held at 8:00 a.m. on April 12, 2011, at the California Farm Bureau office, 2300 River Plaza Drive, Sacramento, CA 95833. All CAWG members are encouraged to attend. If you have questions, or to RSVP, please call CAWG at 916/492-7066.

Thank you!
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Know a California Farmer - Let's get the word out!

The California Agricultural Communications Coalition (CACC) is now hosting a weekly email to help farmers stay informed about key issues and events surrounding the industry. Our goal is to provide you with up-to-date information that will spur ideas about what to contribute on KnowACaliforniaFarmer.com. We'll also provide tips on extending the reach of your messages with social media tools and the best ways to engage consumers in productive dialog.

Brandon Souza will author these emails on behalf of the CACC. A native Californian, Brandon grew up on his family's farming operation in the Central Valley. Brandon is a graduate of Cal Poly, San Luis Obispo with a BS in Agricultural Business and has extensive experience in social media. He brings with him a passion to help farmers communicate positive messages about California agriculture.

All stakeholders in agriculture need to stand up and share stories about their family farms and ranches while responding to timely issues impacting our livelihood. Currently we are doing a great job rallying the troops among ourselves but now is the time to reach out to the broader audience of all consumers in California. **It's important to make sure we're a part of the conversation and not left defending misinformation.**

The first step in this effort is to share your videos, blogs and photos on KnowACaliforniaFarmer.com. We'll be able to use your content to create dialog with the media, urban audiences, households, nutritionists, mommy bloggers, educators and more! Working together we can provide a powerful voice for agriculture in the Golden State.

See the latest video below highlighting California Ripe Olives:

Cooking with Olives

Truck and Bus Regulation Reporting Date Postponed Until April 29, 2011 for agricultural fleets and fleets with street sweepers with Tier 0

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The March 31, 2011 reporting date for agricultural fleets and fleets with street sweepers with Tier 0 auxiliary engines is being postponed until April 29, 2011 to give fleets more time to report.

The date that agricultural fleets have to report January 1, 2011 odometer readings for limited use agricultural trucks or information about specialty agricultural trucks to be eligible for the agricultural vehicle extensions has been extended to April 29, 2011. In addition, the date that fleets with street sweepers must report hour meter readings for the Tier 0 auxiliary engines has been extended to April 29, 2011. California Air Resources Board staff is preparing an advisory to reflect the change and will be updating related documents in the near future.

All other fleets do not have to begin reporting until next year.

Fleets that plan to use the phase-in option, want to take advantage of credits, or to use other provisions in the Truck and Bus regulation, would need to report by January 31, 2012.

Because the amendments considered by the Board in December 2010 will not become effective for at least several months, the delay in the deadline is being changed administratively pending approval by the Office of Administrative Law.

Additional information about the regulation is at:

http://www.arb.ca.gov/dieseltruck

Background

On December 11, 2008, the Board approved for adoption the Truck and Bus regulation to control emissions from nearly all existing diesel powered heavy-duty trucks and buses operating in California. The regulation became effective under California law on January 8, 2010. The regulation applies to diesel fueled trucks and buses with a gross vehicle weight rating (GVWR) greater than 14,000 pounds that are privately owned, federally owned, and to publicly and privately owned school buses. Local and state government owned diesel fueled trucks and buses are already subject to other ARB regulations. Reducing emissions from in-use trucks and buses is necessary to meet federally imposed clean air standards and to reduce the adverse health effects from truck and bus pollution.

On December 17, 2010, the staff recommended amendments, which are presently pending adoption, that would delay the initial requirement to install particulate matter (PM) retrofit filters by one year to January 1, 2012 and extend the time before a vehicle equipped with a PM filter would have to have an engine that meets 2010 model year emission standards. The amendments would also defer engine replacements for vehicles without PM filters two years until January 1, 2015. Prior to 2020, replacements would be limited to 20 year old or older trucks that are not equipped with PM filters. By January 1, 2023, most vehicles would still need to be equipped with an engine meeting 2010 model year emission standards.
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Grain Revival

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From gazettetimes.com - 3-26-2011

Harry MacCormack has been growing grains for more than 40 years, which until recently made him a rarity in the mid-valley, where grass seed is the predominant crop. He long has held the idea that cereal grains - most commonly wheat, maize, oats, barley, rice, rye, triticale and millet - when combined with nutrition-rich beans such as soybeans are truly the stuff of life, locally produced.

Six years ago, MacCormack started encouraging other farmers to grow grains when he read an item in Chris Peterson's biweekly "Fresh Sheet" column on local food in the Corvallis Gazette-Times.

"She was talking about the fact that she had gone through the bulk section of the co-op, and there were no local grains or seeds there," he said. "I wanted to see if it would work. Data shows that 90 percent of our emergency food system is based in beans and grains."

So MacCormack, who owns Sunbow Farm west of Corvallis, field-tested various grains and kept track of the growth data. The summer of 2004 yielded 150 bushels an acre of white wheat, "which is pretty good for white wheat in this area," he said. "It blew my mind."

That fall, MacCormack was invited to speak at a conference in Eugene, where he shared his data with Oregon farmers. Unbeknownst to him, the information inspired other Willamette Valley farmers to try planting some of their acreage in grain instead of grass seed.

"I didn't realize that was what was going to happen," he said. But he's no stranger to championing the local foods movement.

MacCormack started several farmers markets, and he once served on the board of directors for the Ten Rivers Food Web. He founded the Southern Willamette Valley Bean and Grain Project, with a goal of adding more diversity to the local food system, which had been scant on grain production.

According to the Oregon Wheat Commission, 92 percent of all Oregon wheat - most of it grown east of the Cascades - is exported, primarily to Asian nations, where it is especially prized for making noodles.

"Historically, grass seed farmers have had some grain as a rotation crop," said Lynne Fessenden, the director of the Willamette Farm and Food Coalition. That grain, however, was sold in the commodity market. "It's kind of maddening seeing this crop growing in the valley and not being able to buy it."

In the 1950s through the 1970s, Willamette Valley growers produced a wide array of fruits and vegetables, but wheat dominated the field by almost a third of what was planted. In the 1980s, when wheat prices began dropping, Willamette Valley farmers began a steady conversion of wheat acreage to grass seed production for forage, suburban lawns and golf courses.

By 1990, grass seed was the valley's dominant crop, with Linn County leading the nation in production. In 2006, 560,000 of the valley's 900,000 acres of cropland were for the production of grass seed.
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But in 2009, after the housing market collapsed and new construction came to a halt, the market for grass seed for new lawns also plummeted. Local farmers quickly began switching to wheat. Around that same time, large global producers of wheat such as Russia and Australia had crop failures, which made the switch profitable. But it also succeeded locally with "locavores," who like to buy their food close to where it is produced.

Since the inception of the local project, three farms have began growing grain for local sale: A2R in Corvallis, Hunton Family Farms in Junction City and Stalford Farms in Tangent. As of 2011, there are unofficially 12 farms participating in the project and some 1,000 acres transitioning to organic beans and grains.

Full Story Link:

US Farmers to Plant more of Corn, Wheat and Cotton

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WASHINGTON(Commodity Online) :
With commodity prices significantly higher than last spring, U.S. farmers plan to plant 3.99 million (4.5 percent) more corn acres, 3.89 million (8.2 percent) more wheat acres, and 1.59 million (15 percent) more cotton acres than last year according to theProspective Plantings report released today by the U.S. Department of Agriculture's National Agricultural Statistics Service (NASS).

In all, farmers reported intentions of planting 323.8 million acres across the 21 major crops surveyed for this report, a 7.09 million (2.2 percent) increase from 2010 but still 1.21 million acres below the 2008 total.

"Despite increased plantings for most major field crops as reported in today's Prospective Plantings report, the March 1Grain Stocks report indicates continued strong demand and usage for these commodities. This suggests the current tight supply situation will continue into 2011 and 2012," said USDA Chief Economist, Joseph Glauber.

The largest increase in corn-planted acreage in 2011 is expected in South Dakota where growers intend to plant an additional 850,000 acres compared to last year when wet field conditions during planting prevented many from getting all of their intended acreage seeded.
Iowa and North Dakota acreage is expected to increase 500,000 and 450,000 acres respectively.

The largest decrease in planted acreage is expected in Texas, down 150,000 acres due to an increase in cotton acreage.

The 2011 wheat planted area is estimated at 58.0 million acres. Of this, 41.2 million acres is winter wheat planted area, 10 percent above last year and up 1 percent from the previous estimate.

Cotton acreage increases are expected in every state, for a total of 12.6 million acres, 15 percent above last year. The largest increase, at 548,000 acres, is expected in Texas. Acreage increases of more than 100,000 acres are expected in North Carolina, Georgia and Mississippi.

Soybean acreage planting is expected to be 76.6 million acres, down 1 percent from last year, for the third largest on record. Compared with last year's record planting intentions, declines of 100,000 acres or more are expected in Iowa, Kansas, Mississippi, Nebraska and Ohio. If realized, the planted area in New York and North Dakota will be the largest on record at 1.5 million and 4.35 acres respectively.
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Prospective Plantings provides the first official, survey-based estimates of U.S. farmers' 2011 planting intentions for corn, all wheat, winter wheat, durum wheat, other spring wheat, oats, barley, flaxseed, cotton, rice by length of grain classes, oats, all sorghum, sweet potatoes, dry edible beans, soybeans, sunflower, peanuts, and sugarbeets; acreage for harvest of hay and tobacco.

NASS surveyed approximately 85,000 farm operators across the United States from Feb. 26 to March 17, 2011. NASS will publish data on actual planted area in the Acreage report, to be released June 30 at 8:30 a.m. EDT.

NASS also released the quarterly Grain Stocks report today, showing corn stocks in all positions at 6.52 billion bushels as of March 1. This is down 15 percent from last year. Soybeans stored in all positions on March 1 totaled 1.25 billion bushels, down 2 percent from a year ago, while all wheat stored totaled 1.42 billion bushels, up 5 percent from March 1, 2010. Rough rice stocks in all positions on March 1, 2011 totaled 121 million hundredweight, up 16 percent from the same time last year.

Full Article Link:

Future of Ethanol Federal Supports Looks Unsure

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The congressional drama surrounding the future of federal ethanol tax incentives and import protections continues to increase, with one Senator this week threatening to hold all legislation if an amendment to kill the ethanol program was deemed nongermane to a pending small business bill. Sen. Tom Coburn (R, OK), who represents one of the nation's largest oil and gas producing states and is the self-appointed Senate guardian of spending and budget matters, drew a bead on the Volumetric Ethanol Excise Tax Credit (VEETC), calling it a "burdensome tax credit subsidy" and "corporate welfare." Coburn and Sen. Ben Cardin (D, MD), said their bill to kill the ethanol tax credit and save the federal budget $5.7-6 billion a year is supported by 55 Senators, five short of the 60 needed to move the bill on the Senate floor. Ethanol is drawing the political spotlight because the 45-cent-a-gallon blenders' tax credit and the 51-cent-a-gallon import tariff expire at the end of the year, and critics are beginning to wake up to the fact the blenders' credit is paid to big oil companies as an incentive to blend ethanol as part of the Renewable Fuel Standard (RFS) mandate. Some in the ethanol industry have said they'll forego tax incentives if the federal government invests in pipeline construction, blender pump installation at gas stations and a mandate on flexfuel car manufacture. Others want to maintain the status quo, while still others say the support is necessary, but needs to be brought up to date to meet the needs of the industry. Coburn threatened to block a pending small business research bill if his bill was not allowed as an amendment. Several farm state Senators immediately slammed the Coburn/Cardin amendment, led by Sen. Charles Grassley (R, IA), saying the amendment was not only nongermane to the small business bill and should be offered on energy legislation when it comes to the floor later this year, but attacked the bill as self-serving and designed to kill off a much-needed program for ethanol survival. However, some senators, notably Sen. Mike Johanns (R, NE), who has been a vocal supporter of ethanol subsidies in the past, signaled this week his support may be waning. Coburn backed off his threat when Senate Majority Leader Harry Reid (D, NV) promised floor time for the bill at a later date but said Coburn will need to get a two-thirds vote for approval rather than a simple majority. Meanwhile, House freshman Rep. Steve Womack (R, AR) introduced legislation to repeal the blenders' tax. Womack's proposal, which has bipartisan support, is similar to Coburn's bill. The ethanol industry supports a bill by Sens. Amy Klobuchar (D, MN) and Tim Johnson (D. SD) to "establish a more cost-effective tax credit for ethanol that rewards efficient producers." Their bill would shift the federal tax incentive from a blenders' credit to a producer credit. They would lower the subsidy to 20 cents per gallon in 2012, 15 cents in 2013, 10 cents in
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2014 and a nickel in 2015, whereupon the subsidy would die. The measure would create new incentives for biofuels infrastructure and deployment, and has been endorsed by the National Farmers Union (NFU). Since January, 13 bills dealing with ethanol - four of which seek to kill the program - have been introduced in the House and Senate. In a related development, 14 biofuels groups met with Secretary of Agriculture Tom Vilsack to talk options on ethanol supports. Among proposals under consideration is a phasing out the current VEETC, and replacing it with a variable tax credit, possibly tied to the price of oil. Other actions by government could be to assist in installing more blender pumps and requiring auto manufacturers to produce more flexfuel vehicles able to run on any blend up to E85.

Bill Restricting EPA, Pesticide Permitting Approved by House

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The House this week approved H.R. 872 by a 292-130 vote. The bill that would undue a federal court order and bar EPA or any state from mandating NPDES permits under Clean Water Act (CWA) authority for pesticides used on or near water if that pesticide is already approved under the Federal Insecticide, Fungicide and Rodenticide Act (FIFRA).

Coincidentally, the 6th U.S. Court of Appeals March 30 granted an agency-requested stay of the NPDES permitting to give EPA an additional six months - until October 31 - to figure out how to implement court-ordered restrictions on pesticides used near or on water. A joint effort of the House Agriculture Committee and the Transportation & Infrastructure Committee, the bill passed easily. House Agriculture Committee Chair Frank Lucas (R, OK) and committee ranking member Rep. Collin Peterson (D, MN) who both supported the fix, said in a joint statement just after House passage: "(We are) proud to be part of the bipartisan effort that led to House passage. The last thing the agricultural community needs is another government mandate." Added Peterson: "The courts are not the place to decide agriculture policy.

July 1 Target for Colombia-Canada FTA to Cost U.S. Farmers Billions

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The Colombian government said this week that a free trade agreement between the Latin American country and Canada could be in effect as soon as July 1, an outcome that would be devastating to U.S. wheat producers' market share there.

Colombia said on Wednesday that the Canadian agreement had gotten approval from Canada's Constitutional Court, the last major step toward implementation.

The Colombia-Canada agreement has moved with lighting speed compared to a similar measure negotiated between Colombia and the U.S. that has yet to be sent to Congress for approval. The U.S. signed its agreement in November 2006, while the Canadians finished their agreement two years later, in November of 2008.

Once implemented the Colombia-Canada agreement could further hurt U.S. wheat producers, who have already seen their once dominant market share reduced because of trade preferences Colombia enjoys with Argentina.

Full Article Link:

Congressional Leaders, White House Close to Deal on FY2011 Spending

With the federal government set to partially shut down at midnight on April 8 when the current temporary spending measure runs out, it appears congressional leadership and the White House are close to a deal on spending for the remainder of FY2011.

The level of cuts from current spending would be slashed by about $33 billion and would come in $73 billion under President Obama's budget recommendation, according to reports and a public statement this week from Vice President Joe Biden. This level, while significant to some, would be far less than the $61.5 billion in cuts contained in the House bill and demanded by freshmen House budget hawks. However, House Speaker John Boehner stressed no formal agreement has been reached despite Biden's public statement. Complicating the budget negotiations with the Senate is a demand by the House that the ultimate agreement contain "riders" or language aimed at shifting policies within various agencies.

To get a fast deal and take advantage of deeper budget cuts from the Senate than originally proposed, Boehner may need to forego several policy riders demanded by his party.

These are being negotiated separately from spending cuts, insiders said.

Among the riders under consideration are overhauling the mandatory health care law and EPA authority on greenhouse gas regulation.

Senate likely to Vote on 1099 Repeal

Senate action to repeal the first major chunk of the new health care reform law is set for this week as leadership looks to allow a late-week vote to repeal an onerous tax reporting provision of the law.

At issue is a requirement of the health care law requiring all companies to file an IRS 1099 for every vendor to whom they paid more than $600 that year. The issue of repeal is not a question; both chambers have passed bills designed to kill the provision, and the White House supports the action.

The question is how to pay for the loss of income represented by the provision as both chambers approach the offset issue differently.