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SORGHUM E-Notes

NATIONAL SORGHUM PRODUCERS Ensuring Sorghum's Profitability

March 27, 2008

Farm Bill Negotiations Continue with Little End in Sight

Principal House and Senate negotiators for farm bill conference met via conference calls over the past several days to determine budget allocations for the various farm bill titles. The latest reports place the farm bill budget number at \$10.855 billion over the baseline. Even as negotiators search for offsets to reach \$10.855 billion, efforts are being made to reduce the total funding over baseline to \$10 billion. One proposal that is gaining support among negotiators is spending \$10.855 billion and cutting direct payment by 2 to 3 percent to pay for the \$855 million increase. Commodity groups met with Senate staff yesterday and at that time, were informed that proponents of commodity programs hoped to determine where the cuts would occur. Some fear that once a decision is made to cut direct payments, it will be difficult to resist the temptation to make further cuts to restore other programs.

Though farm bill language could change hundreds of times before a final bill takes form, the most recent language proposes cuts to commodity program direct payments. Additionally, the latest proposal suggests \$5.9 billion in crop insurance cuts. Any direct payment cuts in a final bill are likely to face stiff opposition from Senate Republicans while House passage would likely depend upon whether or not House Ag Committee Ranking Member Bob Goodlatte chooses to go along with particular cuts. Still, an agreement has not been reached on how to offset the proposed \$10.855 billion over farm bill baseline spending.

One person who has seen several farm bills from the perspective of the Congress and the White House commented, "Well, it sounds like the frustration level is about high enough that we might get a bill."

Drought in Spain Could Continue to Affect U.S. Sorghum Farmers

One of the reasons for the sharp spike in grain prices last year was the European export market as much of Europe suffered from extreme weather conditions that damaged their wheat crop and forced them to turn to U.S. sorghum for feedgrains. While conditions in much of Europe have improved, Spain is still suffering from severe drought according to Brownfield Network and Iowa State University (ISU) associate agronomy professor Dr. Lance Gibson. Gibson travelled to Spain last week and saw the situation first-hand. "There's concern now they're going to have to start rationing water, and whether it's going to be the urban areas or agriculture that has to ration first," Gibson told Brownfield. The drought could force European feeders into buying U.S. sorghum again this year as already strained wheat supplies dwindle further.

Read the entire story and listen to an interview with Dr. Gibson at

<http://www.brownfieldnetwork.com/gestalt/go.cfm?objectid=E7D600B3-F66F-C3CD-07D705145A23E2B5>.

Texas AgriLife Research Releases Sweet Sorghum Lines

Texas AgriLife Research announced this week that it will release six important new parental lines for sweet sorghum hybrid development. The hybrids could be used as bioenergy feedstocks for production of ethanol directly from sweet sorghum. In initial sweet sorghum studies, researchers discovered that for sweet sorghum to become a substantial energy feedstock, hybrid sweet sorghums would be necessary. High sugar concentrations and large juice production on both sides of the parentage are necessary to produce a sweet sorghum hybrid. AgriLife Research is requesting licensing

proposals from interested parties for commercialization of commercial hybrids derived from these new lines. Contact Dr. William L. Rooney; Professor, Sorghum Breeding and Genetics; Texas A&M University, Texas AgriLife Research; 979-845-2151, wlr@tamu.edu

USDA to Release 2008 Planting Intentions

USDA will release 2008 planting intentions reports on Monday, March 31, 2008. Watch for an update in next week's edition of Sorghum Notes.

About Sorghum Notes

SORGHUM Notes is a publication of the National Sorghum Producers. NSP represents U.S. sorghum producers and works to ensure the profitability of sorghum production through market development, research, education and legislative representation. Visit our website at www.sorghumgrowers.com. Write to us at National Sorghum Producers, 4201 N Interstate 27, Lubbock, TX 79403. To unsubscribe to Sorghum Notes, please reply to hannah@sorghumgrowers.com. Copy and paste "Unsubscribe to Sorghum Notes" into the subject line.

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Quote of the week:

"Even if you're on the right track, you'll get run over if you just sit there." – Will Rogers

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