

4201 N Interstate 27
Lubbock, Texas 79403
Telephone: (806) 749-3478
Fax: (806) 749-9002
www.sorghumgrowers.com

SORGHUM E-Notes

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NATIONAL SORGHUM PRODUCERS:
the voice of the sorghum industry

NSP Testifies Before House Agriculture Committee

The House Agriculture Committee held a hearing in Lubbock, Texas, May 17 to review U.S. agriculture policy as the Committee begins the process of writing the 2012 Farm Bill. It was the seventh hearing of the Committee's tour across the country to listen farmers' opinions of the upcoming farm bill.

Dan Smith, a sorghum grower from Lockney, Texas, and member of the National Sorghum Producers Legislative Committee, testified before the eight members of the Committee who attended the hearing. Smith thanked the Committee for its work on price elections in the 2008 Farm Bill, and asked the committee to maintain a strong crop insurance program in the next farm bill.

"The Committee's work on sorghum price elections in the 2008 Farm Bill led to an increase in crop insurance price elections from 88 percent the price of corn to 97.8 percent the price of corn," Smith said. "For my farm, this translates to \$7.33 per acre more dryland crop insurance coverage and \$41.94 per acre more irrigated crop insurance coverage. Thank you for leveling the playing field."

The renewable fuels industry is the fastest growing value-added market for the sorghum industry, with more than one-quarter of the U.S. grain sorghum crop currently being processed through an ethanol plant. Smith asked the Committee to continue their support for programs, such as the Bioenergy Program for Advanced Biofuels (Section 9005) and the Biomass Crop Assistance Program (BCAP), in the farm bill's Energy Title.

Kerry-Lieberman Introduce Climate Change Bill

Senators John Kerry and Joe Lieberman unveiled their Climate Change bill last week. The House-passed bill has been criticized by the agriculture industry for its impact on land use in agriculture. According to a USDA analysis, nearly 60 million acres could move from pasture and production to forestry as a carbon "offset." The Kerry-Lieberman bill would require USDA to conduct "periodic analyses" of land removed from crop production or grazing for forestry projects to determine the impact on food, feed, commodity prices, livestock prices, food prices and the environment. The Secretary of Agriculture could limit the number of acres of farmland that could be converted from production to forest if "serious adverse effects on U.S. agriculture or the public interest" were found to occur.

USDA would be required to offer 10-year carbon offset contracts to farmers, ranchers or foresters for carbon reduction projects. USDA would also be required to develop alternative methods of offset qualification, and would have to help landowners in coming up with improved land use to increase carbon

restrictions through use of easements or sequestration contracts or timber and grazing contracts.

The total number of available offsets, which are actions designed to mitigate or prevent carbon releases, would be set at 2 billion annually. Companies can purchase the offsets in place of the carbon credits, with 75 percent of the projects relegated to domestic efforts, and 25 percent could be international projects. Any agricultural offsets would be directed by USDA, with non-agricultural and international projects overseen by EPA.

NSP opposed a climate change bill passed by the House last June and will continue to analyze new legislation.

EPA Releases Rule on Greenhouse Gas Emissions

The EPA released its final rule last week setting caps and a timetable for federal regulation of greenhouse gas (GHG) emissions. The EPA's ruling touts "shielding" farms and small business from GHG permit requirements, and was released the same week the Kerry-Lieberman Climate Change bill was introduced.

The final rule is designed to capture about 70 percent of United States GHG emissions using a phased-in approach that will hit new power plants, oil refineries and large factories first, the agency said. The rule is effective January 2011 when Clean Air Act (CAA) permitting will begin for already-regulated facilities emitting at least 75,000 tons of GHG per year. EPA indicated sources emitting less than 50,000 tons per year will not be regulated until 2016, if ever, even though CAA permitting applies to all sources emitting 100-250 tons per year or more depending on the pollutants covered.

Agriculture Disaster Relief Bill Proposed

An Agriculture Disaster Relief bill has been proposed and is expected to pass in the Senate next week. The bill would provide assistance for 2009 agricultural losses for crops, including specialty crops, livestock, sugar, aquaculture, cottonseed and poultry. In addition to approximately \$1 billion in supplemental direct payments to producers with a minimum 5 percent loss in production, the bill would provide \$42 million in cottonseed assistance, \$25 million in aquaculture assistance, \$21 million to a Hawaiian sugar cane cooperative, \$75 million to poultry producers, and \$150 million for specialty crop producers. The program is designed for payments to be issued quickly through USDA and state block grants. This provision is estimated to cost \$1.479 billion over 10 years.

Condolences

Former Nebraska Grain Sorghum Board director, Duane Henrichson of Ceresco, Neb., passed away Sunday, May 16 after a 13-month battle with colon cancer. Henrichson was active in agriculture, also serving as a member of the Saunders County Soybean Association and the Ceresco Farmers Union Co-op Board.

About Sorghum Notes

Sorghum Notes is a publication of the National Sorghum Producers. NSP represents U.S. sorghum producers. The organization serves as the voice of the sorghum industry from coast to coast through education and legislative and regulatory representation. To learn more about NSP visit our website at

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Sorghum Partners, Inc.
P.O. Box 189, New Deal, TX 79350
Phone: (800) 645-7478 Fax: (806) 746-5305
Website: [.sorghum-partners](#).
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Quote of the Week:

“Education's purpose is to replace an empty mind with an open one.”

--Malcolm Forbes

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