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# The Grain Store

Summer 2012

Maryland Grain Producers Association & Maryland Grain Producers Utilization Board

## PRESIDENT'S MESSAGE... JASON SCOTT, MGPA



The dry conditions of 2012 throughout much of America has definitely tested the resilience of the American farmer as growers see their hard work dry up and blow away with warm summer winds.

Russia is expected to lose seven million tons of grains due to drought, China is purchasing more soft red winter wheat than in recent years, and the losses continue to be reported across the globe.

What our growers are experiencing demonstrates the need for sound farm policies, both at the state and national levels. We need Congress to move quickly and pass a 2012 farm bill this year. Crop insurance and risk management tools are necessary for our country, by providing critical assistance to farmers when they face crop losses due to adverse weather conditions, crop disease or volatile markets. We need a farm bill that delivers aid to farmers when they need it in a way that is faster, simpler and smarter.

We applaud the Maryland Assembly for passage of several initiatives in support of

Maryland farms, and encourage their work in developing policy that is based on proven science and fairness to all. It supports our state's economy and our state's family businesses.

A recent USDA report notes "Nearly 98 percent of farms are family-owned, and they account for about 88 percent of production." It is true that family farms have become larger to take advantage of efficiencies of scale. However, this does not detract from the importance of the hands on involvement and the personal investment of these individuals. Family farmers are combining generations of accumulated knowledge with modern tools and practices that save soil, clean water and help us meet the needs of a growing world population.

Are you ready to get more involved with projects involving the Maryland grain industry? We are seeking new Board members to both the MGPA and MGPAUB boards to represent the lower shore, central and southern Maryland. Volunteers are very welcome. Board members can serve three consecutive two-year terms. Contact me or Lynne Hoot at 410-956-5771 or LynneHoot@aol.com. Join us in making a difference for our Maryland farmers.

## AG WINNER IN ESTATE LEGISLATION

### MARYLAND 2012 LEGISLATIVE REPORT

The best news for agriculture from the 2012 Maryland General Session was the **Family Farm Preservation Act of 2012**. Signed by the Governor, this legislation was co-sponsored by 33 Senators and 36 Delegates in a show of significant bipartisan support. It allows for elimination of up to five million dollars in estate assessment with a provision that the farm must stay in agriculture for ten years or the tax must be repaid.

**Sustainable Growth and Agricultural Preservation Act of 2012** legislation was amended considerably before passage to retain local government control, however the agricultural concern over potential loss of land value was never addressed. Local governments must now establish a 4-tier system from Priority Funding Areas, which includes agricultural and non-agricultural land identified for preservation or already preserved. Local diligence is now essential.

**Environment - Bay Restoration Fund - Fees** passed, increasing the septic funding level from \$30 per year to \$60 per year for all households, not just those on septic systems. The cover crop portion of the septic fee remains at 40%, which will

*(continued page 2)*

## AL PELL HEADLINES COMMODITY CLASSIC ON JULY 26



Headlining this year's Commodity Classic on July 26 is Al Pell, the Farm Director for AgDay Television and U.S. Farm Report since 1999. Born and raised in Indiana, Al also owns and operates a 400-acre farm near Brazil, Indiana. On the program is Sam Willett, NCGA, to provide an update on the 2012 Farm Bill. David Hula, Virginia grain farmer and National Corn Yield Contest Winner, will also speak at the Classic.

Farm tours at the Wye Research and Education Center will provide insight on the latest research being conducted for grain and soybean growers. Exhibits at the Queen Anne's 4-H Park provide the full range of projects funded with grain and soybean checkoff funds. See back page for more details on the Commodity Classic.

**MARYLAND 2012 LEGISLATIVE REPORT** (continued)

result in about \$11.5 million. After 2017, the funds can be used for a broader range of activities, including stormwater, and the increase in the fee (not the full fee) terminates in 2030. Additional funding should be available to support other agricultural activities in the Chesapeake Bay 2010 Trust Fund, including \$2 million for grants to farmers to assist in implementing proposed new requirements of management of manure, \$0.5 million for additional manure transport, and \$2.5 million for loan guarantees and grants for construction of manure to energy facilities at the farm level.

**Education - Development of Guidelines to Incorporate Sustainable Agricultural Education** passed, requiring a task force including MAEF, MFB, MGPA, MPPA, MASCD, and DPI to work with the State Department of Education to incorporate the subject of agriculture, including sustainable agriculture and other agricultural issues, in all existing curricular areas. The bill was amended based on MGPA testimony, to provide discussion on the complexity of the term sustainable and the need to maximize yield per acre with new technology.

**Agriculture - Cost Sharing for Water Pollution Control** passed, raising the per practice MACS cap from \$100,000 to \$200,000. The per farm cap will need to be adjusted by regulation.

**Department of Agriculture - Animal Waste Technology Fund** passed, moving the Animal Waste Technology Fund from the Department of Business and Economic Development to MDA. Established as part of the Water Quality Improvement Act of 1998, this fund has received no funding for many years. The fund can be used for research development implementation or market development of technologies to reduce nutrients in animal waste, alter the composition, develop alternative uses, or systems that use animal waste in the process.

**Stormwater Management - Watershed Protection and Restoration Program** requires urban counties to collect stormwater management fees and establish a program for stormwater maintenance and

restoration. An amendment allows for the county to establish guidelines to reduce the fee for properties with advanced stormwater BMPs relating to agricultural activities or facilities that are exempt from stormwater management requirements. Rural counties that are not required to have an NPDES stormwater permit are exempt.

**Income Tax - Subtraction Modification - Enhanced Agricultural Management Equipment** legislation would provide a 100% subtraction modification for GPS and optical sensing equipment and a 50% subtraction modification for Vertical Tillage equipment. The legislation passed Senate, but ran out of time at sine die on the House floor. It will be reintroduced in 2013.

**Voluntary Agricultural Nutrient and Sediment Credit Certification Program** passed, adding sediment to MDA nutrient trading law.

Ag-related legislation that MGPA opposed and did not pass included establishing water use fees, adding background checks to pesticide licenses, restricting dates for application of nutrients, and requiring additional testing of stormwater.

Maryland's legislature went into a special session in May when the regular session ended without passing a funded budget. The new legislation passed increases tax rates for single filers making over \$100,000 (\$150,000/couple) with a new top rate of 5.75% on income over \$250,000 (\$300,000/couple). The bill also raises taxes on snuff and smokeless tobacco from 15% to 30% and the rate on 'little' cigars to 70%. The bill repeals telecommunication utilities' corporate tax credits for property taxes and includes in taxable income some of the income from small business trusts.

The budget does allow for the transfer of \$250,000 from the UMD Law Clinic to the UMD system to assist farmers with estates and trusts issues, compliance with environmental laws, and other matters necessary to preserve family farms.

Additional information on bill status and amendments can be seen on the state legislature's site (<http://mlis.state.md.us/>).

*MGPA represents grain farmers in legislative and policy issues, conducts educational activities, and provides farmers information from the MGPA state checkoff board and affiliated national associations for corn, wheat, barley and international trade.*

**If you are a grain producer, membership is free! Your checkoff assessment will pay your MGPA dues. Download the membership form from [www.marylandgrain.com](http://www.marylandgrain.com) or contact the office to sign up and receive your free ticket to the Commodity Classic!**

**MGPA & MGPA BOARDS**

**Regional Members** (serve on both boards)  
 Kevin Anderson (Region 1) 410-651-0022  
 Bobby Guy (1) 410-546-9191  
 Robert Garrett (2) 410-822-8920  
 Paul Spies (2) 410-708-5481  
 Tom Gannon (3) 410-758-2370  
 Marion Wilson (3) 410-758-1545  
 Lawrence Meeks (4) 410-848-2867  
 Chip Bowling (5) 301-259-4397  
 Steve Ernst (6) 301-842-3926  
 James Weddle (6) 301-797-3423  
 Vacancies (Regions 4&5)

**MGPA**

Jason Scott, President  
 Tom Gannon, Vice President  
 Drew Stabler, Treasurer  
 Steve Ernst, Secretary  
 Jeff Middleton, At Large  
 Mike Nelson, At Large  
 Patrick McMillan, MDA, Advisory  
 Ronald Mulford, UMD (retired), Advisory

**MGPA**

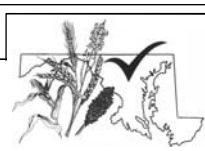
Marion Wilson, President  
 Paul Spies, Vice President  
 Chip Councill, Treasurer  
 Steve Ernst, Secretary  
 Chip Bowling, NCGA Director  
 Chip Councill, USGC Director  
 Robert Hutchison, NBIC Director  
 Jennifer Schmidt, WFC Director  
 Jason Scott, USW Director  
 Allen Davis, Ag Commission, Advisory  
 Charles Morris, Industry/Perdue, Advisory  
 Bob Kratochvil, Univ. of MD, Advisory  
 Mark Powell, MDA, Advisory

**Administration**

Lynne Hoot, Executive Director  
 Marguerite Guare, Admin. Assistant  
 Laurie Adelhardt, Public Relations

53 Slama Road, Edgewater, MD 21037  
 410-956-5771 / 410-956-0161 (fax)  
 lynnehoot@aol.com (email)

[www.marylandgrain.com](http://www.marylandgrain.com)



## MEDICAL INDUSTRY SUPPORTS GM FOODS

The American Medical Association (AMA) adopted a formal position against mandatory labeling of foods made with biotechnology. The AMA official position reads: "Our AMA believes that as of June 2012, there is no scientific justification for special labeling of bioengineered foods." This position, from one of the nation's leading health organizations, once again affirms that labeling foods produced using biotechnology is unnecessary and that these foods are safe.

## LOOKING FOR ANSWERS?

Many farmers are asked questions about how they operate - from the crops they grow to the source of seeds they use. Here are two resources for information and to share with consumers:

Food experts tell it like it is on Best Food Facts, where viewers can connect with food experts from around the country who have done the research, checked their work and want to share the results.  
[www.bestfoodfacts.com](http://www.bestfoodfacts.com)

Farm women sort through the myths, gather the research, and answer questions about food and farming practices.  
[www.findourcommonground.com](http://www.findourcommonground.com)

## SET THE RECORD STRAIGHT

Heard a misleading or unfair statement about Mid-Atlantic farming? Share the misinformation with the Farmer and Rancher Mobilization Team, who will review and research the article, and provide a response which can be copied and shared. Consider joining their field of experts so as questions come up about farming in the Mid-Atlantic region, they have people with the hands-on experience to provide the correct answer. Visit [www.fooddialogues.com/grow-what-you-know/](http://www.fooddialogues.com/grow-what-you-know/) for further information.

**CALL FOR PROPOSALS:**  
2013 Funding Requests are due  
in the MGPUB office by  
December 1. For details, visit  
[www.marylandgrain.com](http://www.marylandgrain.com).



## #99 SPORTS NEW GRAPHICS

Kenny Wallace sported the new graphics promoting ethanol with the theme of "American Ethanol from Family Farmers" in NASCAR's Nationwide Series at the Kentucky Speedway. The NASCAR series is consistently one of the top five sporting events viewed by two million viewers on average for every race. This coverage drives home the message that E15 is the preferred choice of professional drivers for its improved safety and high quality performance in extreme driving conditions. Find out more on American Ethanol and its growing presence on the [www.nascar.com](http://www.nascar.com) website.

## EPA CLEARS E15 FOR SALE

EPA announced that E15 has cleared the final Federal hurdle to get E15 to market. The agency approved a plan submitted by the ethanol industry to address residual fuel that may be left in blender pumps that offer both E15 and other fuels. The plan addresses the possibility of a gas station having a single pump to provide both E15 and other fuels like E10, and the concern that residual E15 could mean that customers wanting E10 may fill up a tank with gasoline that contains more than 10 percent ethanol. To release E15 in the market nationally, the next step is addressing some state regulatory issues.

## THE FACE OF FARMING SEEN THROUGHOUT REGION

The Corn Farmers Coalition program has returned to DC this summer. Messages have been in Capitol publications and metro stations each of the last four years, and have

expanded to the online community. Fact-based, non-issue oriented messages are designed to educate at a very basic level to help leaders make informed decisions long term. Similar ads have been running at the Maryland minor league baseball games and will be utilized in ads throughout the year at events and media outlets across the state.

America's corn farmers exported \$10 billion worth of corn last year. One of the few American products with a trade surplus.  
Source: USDA





The voice of  
Maryland's grain industry  
[www.marylandgrain.com](http://www.marylandgrain.com)

**Maryland Grain Producers Association**  
**53 Slama Road**  
**Edgewater, MD 21037-1423**

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Sign up now! New e-bulletin with the latest news for grain farmers emailed right to you. What's the latest on the Farm Bill? Trade agreements? Bay policy? Call 410-956-5771, email [mdagric@aol.com](mailto:mdagric@aol.com), or visit [www.marylandgrain.com](http://www.marylandgrain.com) to sign up!

## AGENDA



14th Annual

Maryland  
**COMMODITY**  
Classic

The Maryland Grain Producers Association, Maryland Soybean Board, Maryland Grain Producers Utilization Board, and Mid-Atlantic Soybean Association

*invite you*

to see the latest in  
checkoff funded research,  
education and market development,  
hear about current issues,  
and enjoy the company at the  
famous crab feast and barbecue!

9:00 - 10:45 am

### Wagon Tours

Wye Research & Education Center  
See Research funded by Maryland Soybean Board and Maryland Grain Checkoff Programs

11:00 am

### Registration Opens

Queen Anne's 4-H Park  
Visit Commercial, Checkoff and Agency Exhibits

Noon

### Lunch Available, 4-H Club

1:00 pm

### Business Meeting & Program

Featuring Keynote Speaker:  
**AL PELL**  
U.S. Farm Report/Ag Day TV

4:00 - 5:30 pm

### Crab Feast and Pork & Chicken BBQ

**Thursday,**  
**July 26, 2012**  
**QUEEN ANNE'S**  
**4-H PARK**

**ROUTE 18 BETWEEN**  
**QUEENSTOWN & CENTREVILLE**

**TICKETS:** \$10 prior to 2:30 pm;  
\$20 after 2:30 pm (no entry after 3:30 pm)

Complimentary tickets are provided to members of the Maryland Grain Producers Association - see page 2 for membership information.

### FOR MORE INFORMATION:

Maryland Grain Producers Association  
53 Slama Road, Edgewater, MD 21037  
Tel. 410-956-5771, Fax: 410-956-0161  
Email: [lynnehoot@aol.com](mailto:lynnehoot@aol.com)