



National Corn Growers Association  
**2018 POLICY  
AND POSITION PAPERS**

*As amended-  
Corn Congress Anaheim, CA  
March 1, 2018*

Per NCGA Operating Procedures, resolutions adopted by Corn Congress shall expire based on the section of the Policy & Position Papers (aka Policy Book) in which they appear, and no later than the end of the calendar year three years following adoption. Each section will note an expiration date with the text "EXP." (for "expires") followed by the expiration year. Each section will also note the time for Action Team/Committee review with the text "TBR" (for "to be reviewed") followed by the December before the expiration year.

(For example, the Biotechnology/I-A-1 section will be marked "EXP. 2020" and "TBR DEC. 2019." If the resolutions in this section are not reviewed by the Action Team/Committee of jurisdiction for the issue in December 2019 and the Corn Congress takes no action in 2020, they will automatically expire and be removed from the Policy Book at the end of the calendar year 2020.)

# Table of Contents

	<u>PAGE</u>
<b>Section I</b>	<b>A commitment to meet the needs of our customers .....7</b>
	I-A-1 Biotechnology
	I-A-2 Marketable Characteristics of Corn
	I-A-3 Mycotoxins
	I-B-1 Trade Policy
	I-B-2 Trade Negotiations
	I-B-3 Foreign Market Development
	I-C Domestic Demand
	I-D-1 Ethanol
	I-D-2 Energy Policy
<b>Section II</b>	<b>Government policy that promotes a thriving agricultural sector .....23</b>
	II-A-1 Farm Policies
	II-A-2 Farm Program Implementation
	II-A-3 Risk Management
	II-B Minimal, Consistent Regulation
	II-C Federal Tax Policy Reform
	II-D Farm Credit
	II-D Agricultural Immigrant Labor
<b>Section III</b>	<b>Improving our national infrastructure ..... 33</b>
	III-A-1 Transportation Policy
	III-A-2 Truck Regulations
	III-B Rural Development

<b>Section IV</b>	<b>Building a solid future for tomorrow’s farmers .....</b>	<b>40</b>
	IV-A Research and Commercialization	
	IV-B Structure and the Marketplace	
	IV-C Precision Farming	
	IV-D Communication, Cooperation and Education	
	IV-E Information Programs—Livestock/Poultry	
<b>Section V</b>	<b>Leaving our world in better shape than we found it .....</b>	<b>47</b>
	V-A-1 Domestic Environmental Policy	
	V-A-2 Global Climate Change	
	V-B Water Quality	
	V-C Crop Protection Use Policy	
	V-D-1 Conservation Program	
	V-D-2 Swampbuster and Sodbuster Programs	
	V-D-3 Conservation Reserve Program	

# NCGA Policy

## *What we stand for:*

- I. A commitment to meet the needs of our customers
- II. Government policy that promotes a thriving agricultural sector
- III. Improving our national infrastructure
- IV. Building a solid future for tomorrow's farmers
- V. Leaving our world in better shape than we found it
- VI. Association and Program Actions

# NCGA Policy

## *What we stand for:*

- I. A commitment to meet the needs of our customers  
Demand for corn grows when customers are satisfied. To increase demand, we will work to make corn users more successful by:
  - A. Understanding and satisfying the customer
  - B. Providing quality products
  - C. Expanding domestic and global use of US corn and corn products
  - D. Supporting a comprehensive energy policy
  
- II. Government policy that promotes a thriving agricultural sector  
Farmers should operate America's farms with limited government involvement. We support:
  - A. Market-driven farm programs
  - B. Minimal, consistent regulation
  - C. Federal tax policy reform
  - D. Sufficient financial and credit programs
  
- III. Improving our national infrastructure  
Our competitive advantage depends on a solid infrastructure throughout the U.S. We support upgrading our transportation system.
  
- IV. Building a solid future for tomorrow's farmers  
We support an active research and education commitment by all segments of the corn industry and government.
  - A. Research and commercialization
  - B. Commodity group cooperation
  - C. Rural Development/Value added resources
  - D. Structure and the marketplace
  - E. Technology
  - F. Communication and education
  - G. Information programs—livestock/poultry
  
- V. Leaving our world in better shape than we found it. Farming, using best management practices, will improve the environment.
  - A. Environmental policy
  - B. Water quality
  - C. Crop protection use policy
  - D. Conservation programs

VI. We believe the U.S. Government should balance the budget.

# **I. A commitment to meet the needs of our customers**

Demand for corn grows when customers are satisfied. To increase demand, we will work to make corn users more successful by:

- A. Understanding and Satisfying the Customer
- B. Providing Quality Products
- C. Expanding domestic and global use of US corn and corn products
- D. Supporting a Comprehensive Energy Policy



# NCGA Position

Title: Biotechnology

TBR Dec. 2019/EXP 2020

Position Number: I-A-1

Background: The development of biotechnology continues to demonstrate great benefits by enhancing farmers' ability to produce for society in a sustainable way. By informing the public of our stewardship efforts with new technology, we will increase acceptance of biotechnology. Responsible and accountable management by biotechnology providers, producers, suppliers, processors, and grain merchandisers is imperative. We must continue to address our customers' concerns while protecting our traditional markets.

## Policy Statements:

1. Support the specific objective of regulatory synchronization and mutual acceptance of biotech agricultural products in trade negotiations.
2. Support the development of internationally accepted, science-based and consistent "low-level" presence policy and Adventitious Presence policy.
3. Support a complete, science-based, expeditious, regulatory process in the U.S. for all biotechnology events.
4. Support the release of biotech corn that is intended for a specific end use and that has limited regulatory approval only through closed marketing systems or carefully conceived identity preservation systems that secure our ability to market corn and corn products worldwide.
5. Support the commercialization of biotech corn traits 30 months after the U.S. approval (assuming the Japanese approval has been granted) should delays in the completion of the risk assessment or issuance of safety certificates occur due to a non-functioning regulatory system. NCGA defines a functioning system as science based, meets WTO SPS Annex C 1 (b)'s (ca 2017) terms, accepts submissions without preconditions, and is free of political influence.
6. Support coexistence practices in the production of identity preserved (IP) products and commercial corn. Responsibility for coexistence practices should remain with the producer of a specialty product rather than being placed upon commodity crops surrounding the specialty producer.
7. Farmers who plant approved biotechnology products following regulations and stewardship guidelines should be legally protected. Support the protection of farmers who have planted approved biotechnology products without threat of judicial proceedings requiring them to terminate crops.
8. Require the seed industry to clearly identify the approval status of all events and augment this effort with aggressive communications and advertising programs that target corn growers.
9. Seed companies should be required to disclose the variety ID number of all hybrids offered prior to point of sale.
10. Require the seed industry to aggressively promote Insect Resistance Management (IRM) and Weed Resistance Management (WRM) in their seed sales strategy.
11. Support public funding of land grant institutions to disseminate science-based information about biotechnology.

12. Technology agreements should indemnify producers from liability.
13. Support the strict enforcement of science-based isolation and containment requirements for the research, production, and processing of all crops that are not approved for food and feed use in the United States in order to protect the commercial grain industry and food supply.
14. For approved biotech events, the current patent holder or any party, including 3<sup>rd</sup> party entities choosing to market or charged with maintaining a biotech trait post-patent must maintain regulatory approvals for use until the trait is reasonably out of the commercial corn supply.
15. Support efficient science-based regulation of biotechnology products based on the product characteristics, not the process used to produce it, while not applying undue regulatory burden to products of precision breeding innovations.
16. We support continued compliance with the refuge requirement for raising biotech insect protected corn. (2018)
17. We support non-discriminatory labeling requirements of agricultural and food products by the U.S. Department of Agriculture (USDA) and the U.S. Food and Drug Administration (FDA) at this time. (2018)
18. Encourage the Environmental Protection Agency (EPA), registrants and the research community to work closely with producers to develop resistance management strategies that are workable for producers. (2018)
19. Request seed companies make available at no charge, the percent of transgenic purity of seed. (2018)

#### Action Items:

##### **Freedom to Operate Action Team**

1. Support the commercial release of biotech corn events or combination of events subsequent to consultation with and determination of no further concerns by the Freedom to Operate Action Team. These events must also receive a timely, full approval by the relevant U.S. and Japanese regulatory agencies, and the product registrant must be aggressively pursuing approval in every country or bloc that requires approval prior to importation of corn, corn products, or food containing corn ingredients.
2. Demand technology providers to fully engage all regulatory options and stewardship practices for biotech events.
3. Work with Grain Inspection, Packers and Stockyards Administration (GIPSA) in developing merchandising and process verification standards for goods that may or may not contain biotech corn.

# NCGA Position

Title: Marketable Characteristics  
of Corn

TBR Dec. 2020/EXP 2021

Position Number: I-A-2

Background: The primary purpose of the official U.S. standards for grain should be to describe and certify the quality of grain as accurately as practical. They should:

- Define uniform and accepted descriptive terms to facilitate trade in grain;
- Provide information to aid in determining grain storability;
- Promote the retention of the quality of the grain during the marketing process;
- Offer end users the best possible information from which to determine end product yield, quality and value;
- Provide the framework necessary for markets to establish grain quality improvement incentives.

## Policy Statements:

1. Support the development and standardization of equipment and sampling/testing procedures and calibration that would quickly and accurately determine the intrinsic value of corn, and encourage the market to reward that value.
2. Require that only those products that meet USDA organic standard receive an organic label.
3. Work to inform policymakers and regulators as to how our food system works to ensure a safe food supply. Any laws regarding food safety should enhance food safety and be implemented in a way that is practical for all farmers and the entire food industry.

## Action Items:

### Freedom to Operate Action Team

1. Support a third-party verification system to help verify new identity preserved traits and recommend stewardship plans and placement of identity preserved corn in areas that would not cause undo harm to other producers by July 2019. (2018)
2. We encourage growers to communicate with each other in regard to what crops they are growing next to each other to help prevent unnecessary crop damage and/or economic damage to each other. (2018)

### Market Access Action Team

3. Support a national grain quality strategy as new concepts in grain quality emerge that are of importance to end users in addition to the current grading standards that will be to the benefit of the U.S. corn farmer and strengthen our competitive advantage.

# NCGA Position

Title: Mycotoxins

TBR Dec. 2020/EXP 2021

Position Number: I-A-3

## Policy Statements:

1. Support research to minimize the impact of mycotoxins on corn production and food safety.
2. Support mycotoxin standards based on sound scientific data
3. Promote biotechnology's role in reducing mycotoxins in corn production.
4. Support the research, development and testing of hybrids and traits for resistance to mycotoxins.
5. Support the use of "clay binders" and other technologies, if created, for mycotoxin suppression in feed in all states.
6. Support the efforts of and will cooperate with the Aflatoxin Mitigation Center of Excellence to mitigate and eliminate aflatoxin in corn and corn products.
7. Support research for alternate safe uses of aflatoxin-contaminated corn and its products.
8. Support the use of Bio-Controls (atoxigenics) to significantly reduce Aflatoxin in corn and support the development and EPA approval/labeling of next generation (multi-strain) products.
9. Support the ability to blend corn with 0-500 parts per billion of aflatoxin to meet FDA guidelines.

## Action Items:

### Market Access Action Team

1. Support uniform standards for the sampling and testing procedures used to determine mycotoxin contamination levels.
2. Support the exploration of a nation-wide one test result strategy for aflatoxin to determine marketability and crop insurance reimbursement.

# NCGA Position

Title: Trade Policy

TBR Dec. 2019/EXP 2020

Position Number: I-B-1

Background: The export of corn and corn products is vital to the nation's economy, its balance of payments and the profitability of corn production. The development and maintenance of fair and open global trade practices and policies are essential.

U.S. corn farmers support world agricultural production based on comparative economic advantage and endorse multilateral liberalization of trade as a way to raise the standard of living of all people.

Support a consistent U.S. trade policy so corn and corn products will not be disadvantaged for the advancement of another sector.

## Policy Statements:

1. Support worldwide elimination of export subsidies and barriers to free trade.
2. Support normal trade relations for all trading partners.
3. Seek resumption of normal trade relations with Cuba.
  - a) Until resumption of normal trade relations allow U.S. banks to issue credit in U.S. dollars on current exemptions. (Ag and Medicine).
4. Oppose any form of cargo preference.
5. Support exemption of food, feed, agricultural products, medicine and medical supplies from any and all unilateral sanctions imposed on foreign countries by the United States.
6. Support compensation for producers for any economic loss or the loss of reputation as a reliable supplier if U.S. government policy inhibits exports of corn or value-added products.
7. Support U.S. government response when artificial barriers or unsubstantiated restrictions are imposed on U.S. agricultural products.
8. Support use of U.S. antidumping laws and strengthen international laws to prevent abuse.
9. Support P.L. 480 Title 1, loans, Title II, the Food for Progress Program and the McGovern-Dole International Food for Education and Child Nutrition Program.
10. Support Trade Promotion Authority.
11. Support continued membership by the U.S. in the World Trade Organization (WTO).
12. Support the authority of WTO to arbitrate trade disputes and implement enforcement actions.
13. Support the USAID International Disaster and Famine Assistance account for food aid including "local and regional purchase".

14. Initiate and support programs to build long term global demand for corn and corn products. (2018)

13

# NCGA Position

Title: Trade Negotiations

TBR Dec. 2019/EXP 2020

Position Number: I-B-2

Background: U.S. government policy must clearly and consistently promote the liberalization of the world's trading system through both multilateral and bilateral negotiations that assure U.S. corn and corn products full access to world markets.

The U.S. corn industry is highly dependent on other sectors of American agriculture. By fully analyzing trade agreement effects on customers, we can ascertain long term effects on the corn industry.

## Policy Statements:

1. Support sanitary and phytosanitary regulations consistent with uniform, science-based, internationally accepted standards.
2. Support NAFTA and CAFTA-DR.
3. Support elimination of trade barriers for agricultural products derived from biotechnology.
4. Support the expedited renewal of negotiations bilaterally or multilaterally within the Pacific rim countries based on the framework established in TPP. (2018)
5. Actively seek free trade agreements, to assure the greatest possible opportunities for U.S. corn growers. (2018)

# NCGA Position

Title: Foreign Market  
Development

TBR Dec. 2019/EXP 2020

Position Number: I-B-3

Background: Effective foreign market development programs for corn and corn product exports involving the cooperator program through the U.S. Grains Council (USGC), USA Poultry and Egg Export Council (USAPEEC), U.S. Meat Export Federation (USMEF), and U.S. Dairy Export Council (USDEC) should be supported by funding from state checkoff programs and the USDA Foreign Agricultural Service (FAS). These market development programs should maximize efficiency and coordination between NCGA and USGC to expand the uses of corn and corn products.

## Policy Statements:

1. Support increased funding and certainty of funding for the Market Access Program and the Foreign Market Development Program to promote U.S. corn and corn products.
2. Support use of GSM-102 as a commercial export credit guarantee program for corn, corn co-products, livestock and poultry products without limitations to the type or amount of commodities purchased.
3. The USDA should retain control of agricultural export promotion programs.

## Action Items:

### **Consumer Engagement /Feed Food and Industrial /Market Access Action Teams**

1. Support USGC, USAPEEC, USMEF, and USDEC to develop and expand international markets.



# NCGA Position

Title: Domestic Demand

TBR Dec. 2018/EXP 2019

Position Number: I-C

Background: Support diversified, expanding and long-term domestic demand for corn.

## Policy Statements

:

1. Support a coordinated and aggressive effort to promote increased consumption of meat, poultry, fish and dairy products.
2. Support the development and promotion of value-added products from the corn industry.
3. Support legislation that creates tax and investment incentives for individual corn growers that will encourage their participation in farmer owned value-added projects.
4. Support the use of corn derived ingredients in food and beverage products.
5. We shall continue to support a strong USDA BioPreferred Program under the Energy Title of the Farm Bill. (2018)

## Action Items:

### Feed, Food and Industrial Action Team

1. Support efforts by the US livestock and poultry, aquaculture and dairy industries
2. Support Biobased Products:
  - a. All government agencies purchase biobased products identified by USDA as long as they are priced reasonably, perform as needed and are available for use.
  - b. Establish an equal footing of validation of biobased products with petrochemical based products by reducing the Building for Environmental and Economic Stability (BEES) and other unreasonable requirements.

# NCGA Position

Title: Ethanol

TBR Dec. 2018/EXP 2019

Position Number: I-D-1

Background: NCGA believes it is in the best interest of the US consumer to have a comprehensive National Energy Plan, which includes renewable fuels. Renewable fuels will provide an environmentally clean, domestically produced fuel, which will contribute to our independence from foreign oil. In addition, rural communities benefit from the additional jobs created through the development of this renewable fuel industry.

## Policy Statements:

1. Support the current RFS.
2. Support legislation to remove restrictions that disqualify corn-based ethanol from consideration as an advanced biofuel under the expanded Renewable Fuels Standard while maintaining the performance requirements of advanced biofuels.
3. Support establishment of federal fuel standards which increase octane requirements in finished gasoline through higher blends of ethanol for use in higher compression engines for improved fuel economy and air quality.
4. Support implementation of a domestic energy (and tax policy) that expands the use of renewable fuels, such as ethanol, by supporting favorable tax incentives. (i.e. NCGA initiate a major effort with member states to enact state legislation to reduce vehicle registration fees on flexible fuel vehicles.)
5. Support incentives for flex fuel vehicles, and infrastructure for higher ethanol blends.
6. Support the use of high compression engines, using low carbon, high octane renewable fuels to meet the CAFÉ standards.
7. Support working with automobile manufacturers and other partners to ensure flex-fuel vehicle (FFV) incentives and higher blends of ethanol are part of future policy CAFE/GHG emissions rules.
8. Support the development of multi-use renewable fuel pipelines in the U.S., utilizing various available funding sources such as a loan guarantee program for pipeline projects.
9. Support E25 as the minimum Underwriters Laboratory (UL) certification standard for all newly manufactured gasoline dispensers.
10. Support proposals prohibiting oil companies, through franchise contracts, sales agreements or other means (such as restricting use of company credit cards) that prevent a fuel retailer from making flex fuel blends or other biofuels available for sale.
11. Support EPA/ASTM emissions research and efforts to legalize utilization of higher blends of ethanol for conventional vehicles.

12. If biogenic carbon emissions are counted in calculations for GHG emissions from fermentation and/or combustion of biomass and/or biofuels, full credit must be given for the GHG uptake and sequestration from the growing crop.
13. Support the development of scientific research to allow EPA to grant approval for the use of higher ethanol blends in all gasoline vehicles.
14. Oppose changing air quality and/or vehicle standards from U.S. EPA Control to California Air Resources Board (CARB) Control.
15. Support legislation to require EPA to use the most common fuel used in gasoline vehicles and small gas engines for emissions certification requirements.
16. Support research and development to increase the production efficiency of ethanol. Support federal funding for the operation of the National Corn to Ethanol Research Center.
17. Support year-round Reid vapor pressure waivers for ethanol blends over 10%.
18. Support legislation that protects fuel retailers from false claims of engine damage due to ethanol.
19. Support expanded use of corn kernel fiber ethanol as a cellulosic fuel.
20. Support efforts to certify storage and dispensing equipment for ethanol blends above E25 through Underwriters Laboratory.
21. Support unified labeling for higher blends of ethanol.
22. Support extending federal tax incentives for retailers installing flex fuel infrastructure.
23. Support U.S. Grains Council export programs for domestically-produced ethanol and ethanol-based co-products.
- 24.. Oppose any effort to grant a government-owned grain reserve for the purpose of an ethanol reserve. (2018)
25. Support incentives that promote the expansion of ethanol and renewable fuels. (2018)

#### Action Items:

#### Ethanol Action Team

1. Work with Congress, the administration including both regulatory and non-regulatory agencies to ensure successful implementation of the RFS for the benefit of corn farmers.
2. Promote the expanded use of ethanol through continued collaboration.
  - a. Reinstate the CAFE Credits for FFV vehicles either through regulation or legislation.
  - b. Support the use of the term Flex Fuel.
  - c. Support development of ASTM standards for ethanol blends.

3. Secure incentives and requirements to achieve nationwide installation of flex fuel pumps and related infrastructure.
4. Support and promote fuel cell technology with utilization of ethanol as a primary energy source.
5. Support corn and ethanol industry research and investment into economic and sustainable low carbon technologies to further improve GHG accounting score.
6. Support using marginal petroleum source emissions as the petroleum baseline when calculating GHG regulations for biofuels.
7. Support industry efforts to address the dispenser certifications that are required by fire marshals and other regulatory officials in order to sell high level blends of ethanol.

#### **Feed Food and Industrial Action Team**

8. Support Distillers Dried Grain research to increase livestock and poultry feeding, including standardized methodologies for testing.

# NCGA Position

Title: Energy Policy

TBR Dec. 2018/EXP 2019

Position Number: I-D-2

Background: Energy sources are a primary consideration for U.S. agriculture's competitive advantage. Agriculture should be included as a source of energy to reduce our dependence on foreign oil.

## Policy Statements:

1. Support a national energy policy that develops domestic renewable bio-based energy production.
2. Support equitable incentives for both domestic renewable fuels production and domestic oil production.
3. Oppose international indirect land use penalties on corn ethanol.
4. Oppose additional federal taxes on fuel used in production agriculture.
5. Oppose the privatization of Rural Public Power Districts.
6. Oppose regulations for electric utility restructuring that would shift costs from large industrial users to farm and residential users.
7. Support efforts to use corn derived renewable feed stock for the production of electricity and other forms of energy.
8. Support the use of bio-fuels and lubricants by federal, state and local government-owned vehicles.
9. Support active participation in the 25X25 initiative, ensuring the corn industry's interests are well represented.
10. Support research that includes corn and corn fiber as a significant biomass feedstock in the production of biofuels.
11. Government policy, taxes and programs should not differentiate in the distribution and retail marketing of ethanol derived from different biomass feedstocks.
12. Support the extension of the wind energy production tax credit.
13. Support wind energy production tax credit and other incentives for both ordinary and passive income.
14. Support biobutanol from corn and corn products.
15. Support the development of rail, trucking, pipeline and storage infrastructure to address the rural and agricultural need for liquid petroleum, and natural gas.

## Action Items:

### **Ethanol Action Team**

1. Secure the role of corn ethanol in the California Low Carbon Fuel Standards (or other similar state or regional initiatives) through scientific comments, research and other means.
2. Examine the impact of current highly variable (boutique fuels) state fuel content regulations to facilitate easier ethanol blending.
3. Support research and the development of commercial renewable fertilizer production including production plants utilizing wind power and other sources.

## II. Government policy that promotes a thriving agricultural sector

Farmers should operate America's farms with limited government involvement.  
We support:

- A. Market-driven Farm Programs
- B. Minimal, Consistent Regulation
- C. Federal Tax Policy Reform
- D. Sufficient Financial and Credit Programs

# NCGA Position

Title: Farm Policies

TBR Dec. 2019/EXP 2020

Position Number: II-A-1

Background: In future farm policy we support these long-term concepts to ensure prosperity for America's agricultural industry. *We will evaluate and support farm policy that will ensure that American farmers are globally competitive, market responsive, environmentally responsible and that provides producers with access to world markets, access to capital, access to advances of technology and risk management.*

## Policy Statements:

1. Support a program that:
  - a) is compatible with organization goals for WTO negotiations;
  - b) allows producers to make business and planting decisions based on market forces;
  - c) allows market forces to determine supply rather than government decision making;
  - d) allows payments to all size farms;
  - e) promotes profitability but does not guarantee it;
  - f) includes voluntary conservation practices and is adequately funded to encourage program participation to continue conservation of land and other natural resources;
  - g) will provide federal funding for research, domestic and international market development;
  - h) will provide federal funding delivered to state and local control for rural economic development;
  - i.) includes revenue-based insurance as a component of a safety net;
  - j.) is designed to be fiscally responsible; and
  - l.) include a crop-specific FSA program designed to complement the crop insurance program.
2. Support a farm bill that includes both farm programs and a nutrition title.
3. Oppose any effort to lower the payment limits.
4. Oppose lowering of Adjusted Gross Income (AGI) limits to qualify for farm program benefits below current levels.
5. USDA should use the Posted County Price as the average of the two adjusted terminal prices for the county.



# NCGA Position

Title: Farm Program Implementation TBR Dec. 2019/EXP 2020

Position Number: II-A-2

Background: NCGA is committed to making farm programs work for producers. We support the following program provisions.

## Policy Statements:

1. Farmers who have planted crops such as sweet corn, hay crops, or pulse crops should not be subject to a reduction of FSA-defined total crop acres in the calculation of farm base.
2. County-based Commodity Programs should be paid based on the physical location of the tracts within a farm unit.
3. Support the update of base acres and yields when applicable. (2018)
4. Support restoring base acres and yields for expiring CRP contracts as applicable. (2018)

# NCGA Position

Title: Risk Management

TBR Dec. 2019/EXP 2020

Position Number: II-A-3

Background: Agricultural producers cannot control the dual risks of weather and price. However, with revenue-based risk management tools, producers can avoid the disastrous effects of low yields and low prices. The subsidy structure of the federal crop insurance program should encourage producers to insure adequate revenue to avoid devastating losses but must not artificially stimulate production.

Producers must have timely information to make appropriate risk management decisions. The Federal Crop Insurance Corporation (FCIC), the private crop insurance companies and their agents must make every effort to provide cost and coverage information to producers as early as possible.

A safety net is defined as a combination of risk management tools available to producers that have the ability to protect against revenue and production losses due to circumstances beyond their control.

## Policy Statements:

1. Support revenue-based risk management tools for all states with proportional federal cost sharing for price and yield risks and proportional cost sharing on increased levels of coverage.
2. Support the development of new and innovative risk management products to provide a wide array of tools to help producers manage price and yield risks.
3. Support risk management products that provide payment for actual losses, including losses incurred from delayed or prevented plantings, arising from disease or other natural causes.
4. Support no hard dollar cap on the government's share of the crop insurance premium.
5. Support a replant policy that will enable producers to replant with the crop of the producers' choice.
6. Risk Management Agency should calculate premiums on an actuarially sound, county basis.
7. In order to receive disaster assistance payments from the federal government, farmers should be required to have purchased at least catastrophic federal crop insurance.
8. Support the reinstatement of an insured's actual yield history excluding quality loss adjustments if the insured is using an approved product or practice to mitigate such quality loss.
9. Support requiring crop insurance companies to compensate producers for interest costs incurred while crop insurance claims are pending, under litigation or in arbitration, at similar interest rates to those producers are charged on premiums owed.
10. Support a one sample, one test policy accepted by first purchaser, RMA and regulatory agency for mycotoxins.
11. Support changing current planting date limitations to better reflect modern agronomic practices.

12. Crop insurance companies should be required to disclose to the policy owner justifications for denying a claim.
13. Support the annual updating of county t-yields.
14. Support crop insurance coverage for crop losses caused by man-made floods. (Referred to RMA by RTF)
15. Support revising the corn and soybean replant maximum payment allowed, to more accurately reflect the division of expenses and actual cost of replanting.
16. Support a process that will allow producers to certify a yearly APH yield by using comparison yields or county "T yields" in cases where an insured crop was destroyed by an uninsured peril.
17. Support rule changes to make individual tracts recognized by the USDA Farm Service Agency (FSA) eligible for crop insurance as an individual insurable unit.
18. Support the re-evaluation of crop insurance high risk maps for all crops and require RMA to notify the landowner and tenant of impending changes to high-risk maps.
19. Oppose the coupling of unreasonable conservation compliance requirements to eligibility for federal crop insurance subsidies.
20. Support the current public/private partnership for the delivery of the federal crop insurance program and keep implementation with private crop insurance agents, not government agencies.
21. All loss claims must be made by the end of the insurance period, the final insurance date should not end before 45 days after harvest price is determined.
22. Support the current prevent plant provisions offered by RMA, as they are proven actuarially sound; this includes retaining the 1 in 4 planting provision and the 60% level of PP coverage with an option to buy up the level of PP coverage.

#### Action Items:

##### **Risk Management Action Team**

1. Support increased producer input and advocacy in RMA program development and implementation.
2. Support the study of alternatives and changes to crop insurance, including a tax deferred savings account equal to insurance premiums that could be used when qualifying for a claim.
3. Encourage the crop insurance companies to use the federal dollar limit as determined by RMA to determine mandatory audit levels.
4. Work with RMA to develop more flexible rules for the interseeding of conservation cover crops into crops for harvest.

# NCGA Position

Title: Minimal, Consistent Regulation TBR Dec. 2019/EXP 2020

Position Number: II-B

## Policy Statements:

1. Support the full reimbursement of legal costs associated with unsuccessful litigation brought by state or federal regulatory agencies against producers.
2. Support maintaining the elected county committee system.
3. Support cooperative agreements for states to perform warehouse examinations in an efficient manner protecting the local interest.
4. Support agricultural exemptions from the Environmental Protection Agency's Spill Prevention Containment and Control ruling.
5. Oppose the use of models that are not based on replicable, transparent and sound science in the development of regulation and legislation affecting the corn industry.
6. Support agricultural farm operation policies that grant farm families full ability to make reasonable good faith decisions in the involvement of each family member engaging or engaged in farming activities.
7. Landowners should be able to build on a 100 year flood plain if appropriately planned, built up to protect for flooding, and adequately insured.
8. We oppose changing current 100-year flood plain standards to a 500-year flood plain standard.
9. Support youth being allowed to participate in agriculture related work.

## Action Items:

### **Risk Management Action Team**

1. Support member states in their efforts to protect the right to farm laws. All producers of agricultural products who are in regulatory compliance should be encouraged to continue their operations by all levels of government.
2. Support hearings by the House and Senate Homeland Security Committees regarding Freedom of Information Act requests and the potential national security risk producers may have by releasing of such information.

# NCGA Position

Title: Federal Tax Policy  
Reform

TBR Dec. 2019/EXP 2020

Position Number: II-C

## Policy Statements:

1. Support the following positions that strive to ensure the long-term continuity and smooth transition between generations of family-owned, agriculturally-based businesses:
  - a) \$10 million exemption from an estate tax indexed for inflation
  - b) incentives for farm transfers, including stepped up basis
  - c) one time capital gain exemption
  - d) business transition program
  - e) gift tax exclusion
2. Support a minimum \$1 million deduction for qualifying Sec. 179 property, indexed for inflation
3. Support incentives for capital investments.
4. Support repeal of the alternative minimum tax.
5. Support legislation to redefine hedging to allow producers who replace commodities with offsetting futures and options positions of similar commodities to have the profit or loss on those futures or options positions taxed as ordinary income or loss rather than as capital gain or loss.
6. Support reduction of capital gains taxes, including rate reductions and indexing a property's basis to inflation.
7. Support the continued use of commodity wages for agricultural employees.
8. Support the purchase of inputs financed by a lending subsidiary of the vendor to be deductible at the time of purchase.
9. Support an increased yearly limit for the net capital loss deduction against ordinary income.
10. Support expansion of the 1031 provision of the federal tax code to include investment in agricultural value-added ventures.
11. Support a permanent 100% Bonus Depreciation for new and used qualifying property.
12. Support creation of a federal tax incentive for businesses and individuals who invest in renewable energy related research and demonstration projects that benefit corn producers.
13. Urge the President and Congress of the United States to address the current fiscal issues in an expeditious timeline so that planned sequestration does not have unintended consequences on the safety and supply of US food.
14. Support the cash method of accounting for farming businesses with no limitations for tax purposes.

15. Support an investment tax credit for farmer owned value-added initiatives.

## **NCGA Position**

Title: Farm Credit

TBR Dec. 2019/EXP 2020

Position Number: II-D

### Policy Statements:

1. Support legislation and/or administrative procedures to maintain the availability of agricultural credit at competitive interest rates in a timely manner.
2. Oppose consolidation of banking interests that will limit rural lending.
3. Support beginning farmer loan programs at the federal and state levels.
4. Farm Storage Facility Loan Program
  - a) Support the elimination of the requirement to pledge land as collateral or to otherwise obtain an irrevocable letter of credit from a private lender, irrespective of the loan amount.
  - b) Support a 20-year maximum loan period and permitting producers to elect the maximum period without regard to loan amount.
  - c) Allow local condominium type storage to qualify for the program.

27a

# NCGA Position

Title: Agricultural Immigrant Labor

TBR Dec. 2019/EXP 2020

Position Number: II-E

## Policy Statements:

1. Support enactment of immigration legislation that will provide a sufficient work force for agricultural producers and processors.
2. Support immigration policy that protects from penalty, employers of non-U.S. citizens when those employers make reasonable efforts to document immigration status.

### **III. Improving our national infrastructure**

Our competitive advantage depends on a solid infrastructure throughout the U.S. We support upgrading our Transportation System.





# NCGA Position

Title: Transportation Policy

TBR Dec. 2017/EXP 2018

Position Number: III-A-1

Background: Transportation issues are a significant factor in market development for corn and related products. We must aggressively work with the U.S. transportation leaders in the public and private sector to resolve transportation barriers that affect agriculture, both domestically and internationally.

## Policy Statements:

1. Inland Waterways
  - a) Support the immediate modernization of the inland waterway transportation system with trust funds prioritized for adding and/or updating Locks 25, 24, 22, 21 and 20 on the Mississippi River and the LaGrange and Peoria Locks on the Illinois River to 1200 ft. structure, and extending guidewalls at Mississippi Lock and Dams 14 through 18; moorings at Locks 12, 14, 18, and 24; switch boats at Locks 11 through 13.
  - b) Oppose using the Inland Waterway Trust Fund for operations and maintenance.
  - c) The federal government and the U.S. Army Corps of Engineers should repair, maintain, and upgrade channel and levee systems in the flood control districts to guarantee the continuation of commerce on the navigable waters of the Mississippi River and Missouri River Basins and the continued protection of personal property by the levee systems.
  - d) Support requiring the Army Corps of Engineers to place a value on wetlands of at least what was paid for the land when calculating cost-benefit ratios for levee repairs. Values of public services should also be included in the calculation.
  - e) Environmental restoration projects should be subject to the same cost/benefit standards as flood control and navigation projects.
  - f) Encourage vigilant watch on the American Heritage Rivers Initiative policy and other types of initiatives.
  - g) Oppose changes in the U.S. Army Corp of Engineers Missouri River Master Manual that have a negative impact on agriculture because of reduced navigation or potential for spring rises.
  - h) Support increased funding for the Corp of Engineers for Streambank Stabilization and Channel Maintenance for the Missouri River.
  - i) Support continued funding and operation of the Kaskaskia River Lock.
  - j) When flood control plans require the flooding of specific tracts of land to protect economic development in other areas, the landowners of the proposed sacrificial property should receive an annual flood easement payment and compensation for physical and economic damages in the event of actual flooding.
2. Support accurate Federal Emergency Management Agency (FEMA) flood mapping.
3. Rural Highways
  - a) Support state and federal funding for the building and upgrading of rural highways and bridges.
  - b) Support and fund heavier weight bearing limits for roads and bridges to accommodate shipping.
  - c) Support the reauthorization of the Federal Highway Act with the following enhancements: ability to increase gross vehicle weights and additional axle configuration or long vehicle configuration on federally funded primary and secondary roads. Allow the grandfathering in of all state current weights and vehicle combinations.
  - d) Support long term funding for the Federal Highway Trust Fund.

4. Railroads
  - a) Encourage the Surface Transportation Board to focus on shipper/receiver needs.
  - b) Support short line and regional rail projects that improve opportunities for efficient and economical movement of corn and corn products and enhance competition.
  - c) Support competitive and nondiscriminatory rate structure for all our nation's railroads.
  - d) Support establishing state and federal matching loans or grants to upgrade short line rails needed to carry heavier weight.
  - e) Work with any railroad to investigate and resolve the recent unequal and more expensive weight restrictions placed only upon bulk agricultural commodities.
  - f) Encourage the rail industry to continue the safe transport of anhydrous ammonia.
5. Support repeal of the Jones Act.
6. Support adequate funding for dredging of ports.
7. Support expedited environmental review, or grandfathering of the rebuilding of infrastructure, if property is destroyed by disaster.
8. Support up to an 11 cent/gallon increase in the current barge fuel fees to be used for a focused industry supported plan which includes ample benefits to the infrastructure of the Upper Mississippi River Basin.
9. Support ag production having a right of standing in any rail rate case involving agriculture.
10. Support reduction in filing fees for rail rate cases.
11. Support the retention and upgrading of the rail transportation system. (2018)
12. Support upgrades for grain export facilities. (2018)
13. Support efforts to improve and expand transportation for the movement of agricultural products by all forms of transportation. (2018)

#### Action Items:

#### Market Access Action Team

1. Transportation Research
  - a. Support further research and development of a nationwide transportation network that is economically sound and will provide a foundation for our future agricultural transportation needs.
  - b. Encourage the federal government to identify economic consequences of the inefficiencies of our transportation infrastructure.
  - c. Have a long-term transportation strategy to address domestic and foreign markets. This strategy will be developed from a comprehensive study that includes present and future demand of markets and all modes of transportation.

2. Encourage the U.S. Army Corps of Engineers Upper Mississippi River Navigation Study group (Navigation and Eco System Sustainability Program) to fully realize the potential of production technology advancements to increase corn yields as well as potential for future foreign demand.
3. Support management of the Missouri River that places the highest priority on economic uses of the river, i.e., power generation, flood control for agricultural land, navigation and irrigation. Recognize the recreation and environmental value of the river and will work with others to maintain and enhance recreational and environmental benefits.
4. All affiliated states will encourage their state legislatures to pass resolutions supporting lock and dam upgrades.
5. Work with any railroad to investigate and resolve the recent unequal and more expensive weight restrictions placed only upon bulk agricultural commodities.
6. Study public/private partnerships as a partial or full funding mechanism to upgrade our inland waterway transportation system.

# NCGA Position

Title: Truck Regulations

TBR Dec. 2020/EXP 2021

Position Number: III-A-2

## Policy Statements:

1. Support continuation of farm exemption of Commercial Drivers License (CDL) requirements. Support elimination of travel restrictions for farmers hauling their own farm commodities and equipment.
2. Oppose the application of transportation regulations relating to drivers of commercial vehicles such as the Federal Motor Carrier Safety Regulations for farmers transporting property for their farming operations.
3. Support agreements allowing farmers hauling their farm products into bordering states to utilize farmer licensing and permitting.
4. Support legislation to exempt farmers with farm license plates on their trucks from being required to obtain a U.S. DOT number and a UCR permit.
5. Seek a permanent hours-of-service federal waiver (spring and fall deliveries) for agricultural inputs to help ensure the timely delivery of agricultural supplies.
6. Encourage all states, Canada, and Mexico to establish uniform truck standards for safety, liability and cargo insurance for all vehicles operating for hire. Work to ensure trucks and drivers that pass uniform standards are permitted to move freely across borders. (2018)

# NCGA Position

Title: Rural Development

TBR Dec. 2018/EXP 2019

Position Number: III-B

Background: NCGA encourages the U.S. Congress to initiate programs that will maximize potential opportunities for farmers and their communities. Engaging farmers in value-added processing, production, and marketing is an important strategy for enhancing farm profitability and fostering the development of their rural communities. This implies creating relationships between producers and their customers with shared risk and reward, enabling the producer to receive a larger share of their customer's dollar by investing management, equipment, processing, time, etc. Rural communities stabilize the economy through strong business capitalization and a history of consistent growth.

## Policy Statements:

### Supports:

1. Local grower ownership of livestock, corn processing, and grain operations.
2. New sources of capital and lendable funds for start-up and growth businesses.
3. The Commodity Credit Corporation loan program for farmer investment new construction or expansion of value-added enterprises.
4. USDA Rural Economic Community Development Funds to be prioritized towards farmer owned value-added systems.
5. An investment tax credit to support farmer owned value-added initiatives.
6. Further development of USDA programs that provide technical assistance, business planning, feasibility studies, market research and development, technology, coordination for farmer owned facilities.
7. Studies which show what corn processing can do for infrastructures and jobs in rural America. These studies should qualify for USDA value-added grant funding.
8. Full funding for USDA Rural Development Value Added Producer Grant Program.
9. Strong involvement by USDA – Rural Development State Offices in the development and scoring of applications of USDA Value-Added grants programs.
10. Implementation of the “rural economic development component” within the Farm Bill that would help create new corn utilization.
11. Rural development grants language that encourages innovative value added efforts that do not depend on construction of facilities and supports market systems between producers and end users.
12. Amending IRS Code Section 521, the certification criteria for producer cooperatives, to certify cooperatives in which more than 50% of the ownership and control is held by producers.
13. Amending federal law to define a producer owned or controlled business as more than 50% producer-owned or controlled for purposes of producer entities under federal tax, securities, and antitrust laws.

Provide exemption for antitrust purposes similar to Capper Volstead exemption but without entity restrictions.

14. Amending IRS Code to allow a cooperative or other producer business entity to convert to a newly eligible business structure without a liquidation tax being imposed if, after the reorganization, a majority of the governance and financial rights are held by producers of agricultural products.
15. Allowing cooperatives and producers entities with proper disclosure to raise money for a capital improvement from patrons and certain qualified investors as certified by the securities division of any state without federal registration. Exempt producer owned or controlled businesses from federal SEC reporting requirements unless securities are traded on a national public exchange.
16. Prohibit the taking of property by eminent domain for private economic development.
17. The important work of USDA Rural Development to improve the quality of life and increase economic opportunity in rural America. Encourage the long-term funding of the grant, loan and loan guarantee programs administered by USDA Rural Development.

## **IV. Building a solid future for tomorrow's farmers**

We support an active research and education commitment by all segments of the corn industry and government.

- A. Research and Commercialization
- B. Structure and the Marketplace
- C. Precision Farming
- D. Communication, Cooperation and Education
- E. Information Programs—Livestock/Poultry



# NCGA Position

Title: Research and Commercialization

TBR Dec. 2018/EXP 2019

Position Number: IV-A

The Research focus at NCGA is to incorporate scientific knowledge ensuring increasing opportunities for corn growers, a profitable corn industry, and a thriving rural economy.

## Policy Statements:

1. Support maintaining or increasing funding of research at all levels to improve corn quality, lower input costs and increase the use of corn.
2. Support corn genome sequencing and functionality research and pursue action to increase the annual funding for the plant genome initiative with continued leadership through the National Science Foundation (NSF) and other agencies.
3. Support working with state affiliates, government, university and industry representatives to execute a comprehensive, national corn research and commercialization strategy based on a stage gate model to expand the utilization of corn and corn products.
4. Support funding for USDA's National Seed Storage Laboratory to maintain the genetic diversity of corn and other crop seed stock important to agricultural production.
5. Support research into the use of the value-added products generated by the corn industry for meat, poultry, aquaculture and dairy feeding, and other new uses.
6. Support research in biobased renewable corn products.
7. Strongly support Congressional appropriation of additional funds to support ag research for corn and other crops of economic significance.
8. Support funding for collaborative research efforts between public and private researchers.
11. Supports Federal Funding for Multi Crop Phenotyping Initiative.
12. Support Germplasm Enhancement Maize (GEM) program to increase the genetic diversity and reduce the genetic vulnerability of commercial hybrids.
13. Support corn breeding efforts to develop and maintain unique germplasm.
14. Support efforts to increase the number of corn breeders in the USA.
15. NCGA supports use of naturally occurring processes in developing plant/crop improvements for agricultural purposes within appropriate guidelines (e.g. enhanced ploidy, gene editing, RNA interference [RNAi], biologicals, etc.)

16. Opposes USDA's requirement of prepayment of matching funds for multi-year grants under the Agriculture and Food Research Initiative Competitive Grants Program: Solicitation of Commodity Board Topics and Contribution of Funding program.
17. Support the maize trait development program with the goal of developing improved genetic traits in corn for the producer. (2018)

Action Items:

**Corn Productivity and Quality Action Team**

1. Support USDA developing an aggressive strategic plan for public research in functional genomics and translational genetics of corn and focus policy and research dollars to that end.
2. Support forums for state/national research representatives to share/explore current and future research opportunities.
3. Support the modification of research and intellectual property agreements with research institutions to give checkoff funded organizations the right to jointly set license fees and royalty rates with the institution.

# NCGA Position

Title: Structure and the Marketplace

TBR Dec. 2017/EXP 2018

Position Number: IV-B

Background: A competitive agricultural supply industry is essential to a profitable corn industry that allows the American farmer to be the world's most efficient producer. It assures producers, in the long run, of better products and lower input prices. Similarly, competition among merchandisers and/or end users is vital. Without adequate competition, fair compensation to producers fails to exist.

## Policy Statements:

1. Support policies which encourage the availability of additional supplies of fertilizer, such as removing import tariffs on fertilizer.
2. Support review within the Department of Justice and/or other appropriate agencies to focus on agricultural mergers, acquisitions, vertical integration and price transparency.
3. Encourage manufacturers and suppliers of farm inputs to price their products worldwide in a way that does not put U.S. producers at an unfair disadvantage.
4. Support state warehousing and grain dealer laws. Do not support any federal regulation that would jeopardize state grain indemnity funds and/or state merchandising regulations. Farmers should have adequate notification of any proposed changes in federal warehousing and merchandising regulations before changes are enacted in statute or regulation.
5. Support USDA NASS accurately reflecting the replacement of corn for feed by distiller's grains in the marketplace.
6. Oppose increases in daily trade limits on all commodity exchanges.
7. Support a rule to have USDA reports released at non-trading periods to ensure that all users of commodity markets have an equal chance to see the information before trading resumes.

## Action Items:

### Freedom to Operate Action Team

1. Encourage the federal government to help ensure competitive business practices among agricultural suppliers.

# NCGA Position

Title: Precision Farming

TBR Dec. 2017/EXP 2018

Position Number: IV-C

## Policy Statements:

1. Data collected from farming and agricultural operations should remain the property of the individual.
2. Support that designers of precision farming equipment to use communication standards to make their products compatible with other brands of software and hardware.
3. The Federal Communications Commission (FCC) should maintain the integrity of the entire MSS BAND spectrum for GPS use.
4. Support individual and commercial access to Unmanned Aircraft Systems (UAS) technology, as a tool for farmers to manage their farm operation for production and research. Any access should be with the agreement of the landowner and/or farm tenants.
5. Farmers should have access to the information and tools necessary to maintain and repair their farm equipment.

## Action Items:

### Freedom to Operate Action Team

1. Support efforts to better educate stakeholders regarding utilizing new technology or equipment that may receive, record, and/or transmit their data.
2. Support requiring companies that are collecting, storing, and analyzing the data to provide full disclosure of their intended use of the data.
3. Seek formation of and be an active participant in industry discussions regarding development of industry wide protocols including, but not limited to, proper disclosure, privacy, and use agreement.
4. Encourage participants in data sharing use agreements to recognize the value associated with the data; allowing farmers to receive fair compensation.

# NCGA Position

Title: Communication, Cooperation and Education    TBR Dec. 2020/EXP 2021    Position Number: IV-D

Background: U.S. corn growers will positively position the value of corn and corn production. Communications addressing our issues are more credible when presented by farmers.

## Policy Statements:

4. Communication Infrastructure
  - a) Support efforts to provide high-speed data, voice and video technologies to corn growers.
  - b) Encourage competition to provide increased access and affordable service.
  
5. Corn Checkoffs
  - a) Support state checkoffs on all marketable corn, to expand and enhance the use, marketing and efficient production of corn.
  - b) Specialty corn grown under contract should be subject to state corn checkoff assessment programs.
  - c) End-users should be prohibited from administering a corn checkoff.
  - d) Only state recognized, corn farmer-led organizations should be eligible to collect and administer a state corn checkoff.
  - e) Only one corn checkoff per state should be recognized.

## Action Items:

### Engaging Members Committee

1. Accountability
  - a) Emphasize the value of NCGA membership.
  - b) Emphasize recruitment and retention of a more diverse set of NCGA members and leaders.
  - c) Communicate how checkoff and membership dollars are invested to benefit all corn producers.
  - d) Encourage members to participate in the development and evaluation of NCGA programs.
  
2. Political Involvement
  - a) Encourage individual corn producers to be more politically active.
  - b) Promote the Corn Political Action Committee.
  
3. Education
  - a) Support Funding for programs that encourage agriculture education in K12 schools and postsecondary and higher education.

# NCGA Position

Title: Information Programs-  
Livestock/Poultry

TBR Dec. 2020/EXP 2021

Position Number: IV-E

## Policy Statements:

1. Continue a comprehensive program to educate potential users of corn and its co-products as a livestock/poultry/aquaculture/dairy feed.
2. Farm Animal Welfare
  - a) Assure the public, through education, that American animal agriculture is humane.
  - b) Support responsible livestock/poultry/aquaculture/dairy production and oppose restrictive legislation. Recognize the importance of proper animal care. Oppose restrictive legislation on livestock/poultry/aquaculture/dairy that impacts responsible production.
  - c) Support the Humane Slaughter Act as regulated by the USDA.
3. Engage with member states to defeat the efforts of radical animal rights groups which seek to end modern agriculture production in the United States.
4. USDA should prepare and train for a major animal health outbreak. USDA should seek out producers to develop improved response, disposal, and biosecurity protocols.

## Action Items:

### Feed Food and Industrial Action Team

1. Support educational efforts that enhance consumer understanding of the economic value of responsible livestock/poultry/aquaculture/dairy producers to rural communities.
2. Changes to animal guidelines should be based on sound data, expert analysis and economic feasibility.
3. Encourage National Corn Growers Association and State corn organizations to work with their livestock organizations to develop Animal Welfare Coalitions.
4. Recognize animal welfare practices within Livestock/Poultry/Aquaculture/Dairy that maximize consumer confidence.

## V. Leaving our world in better shape than we found it

Farming using Best Management Practices (BMP) will improve the environment.

- A) Environmental Policy
- B) Water Quality
- C) Crop Protection Use Policy
- D) Conservation Programs

# NCGA Position

Title: Domestic Environmental Policy

TBR Dec. 2017/EXP 2018

Position Number: V-A-1

Background: Corn growers are very concerned with the health and well-being of American citizens. We are mindful of the need to balance environmental stewardship with a dependable food and energy supply and necessity for long-term profitability. We support interaction with any organization that shares our concern for the environment.

## Policy Statements:

1. Support a domestic environmental policy based on sound science using a cost-benefit analysis, and fund needed research allowing our advocates to challenge new USEPA regulations.
2. Support a plan of action to modify existing federal rules within the Endangered Species Act (ESA), Clean Water Act (CWA), Fungicide and Rodenticide Act (FIFRA), Food Quality Protection Act (FQPA) and others that severely increase costs to growers or provide a regulatory environment that negatively impacts production agriculture and especially corn production. Implement the plan as soon as practical.
3. If any public environmental demands or regulations are placed on private land, the loss of income, loss of property value including the cost of capital improvements to make those changes should be paid by the public.
4. Water Flows
  - a) Urge federal government agencies to fully consider impacts of regulating water flows on agriculture.
  - b) Urge all federal, state and local governmental agencies to expeditiously repair water retention and protection structures damaged by flooding to protect all cropland producers who wish to keep their land in production.
5. Oppose any government action that would infringe upon property owner's rights without appeal and proper compensation, and oppose the unnecessary use of Eminent Domain to convert agricultural lands to other uses.
6. Natural Resource Policy should encourage a system that incorporates local farmer input as a model for dealing with farm-related environmental issues and regulations.
  - a) Encourage the development of local resource planning groups composed of agricultural landowners and producers to address local conservation and environmental issues.
  - b) Encourage the utilization of organizations and government agencies as technical advisers to the local resource planning group.
7. Conservation/Tax Policy
  - a) Oppose taxes on crop inputs as an effort to reduce their usage.
  - b) Recommend legislation be enacted to allow farmers and landowners income tax credits for approved conservation structures and practices.
  - c) Support a change in the U.S. tax code to allow tax deductibility for permanent conservation practices to land owners who cash rent their land.



8. Support state corn grower association efforts to secure federal funding for:
  - a) State water quality efforts.
  - b) Coordinated multi-state water quality efforts
9. Amend the Particulate Matter (PM10) regulations to restore an agricultural exemption.
10. Require that any new environmental regulations show a positive cost and risk benefit analysis before implementation.
11. Support research efforts to address nutrient management.
12. Support the use of satellite imagery to illustrate cropping patterns in legislative and/or regulatory processes when verified by on-the-ground data.
13. All scientific data and models generated by government agencies should be subject to ground truthing and cited peer review.
14. Support water management through irrigation and tile drainage.
15. Work to oppose federal agencies actively soliciting agricultural land for purchase in a flood plain and during a flooding event.
16. Support legislation that allows land and easements purchased for mitigation projects in specific areas or regions (i.e. watersheds, Loess Hills) be allowed to cross comply for other state and federal mitigation projects in that same area or region to help minimize impacts to private land ownership and counties and states tax revenue.
17. Oppose all new National Heritage Areas unless they meet the following criteria:
  - a. Any Heritage sites should be predestinated to a particular building or site and would not affect private property rights without the consent of such owner
  - b. Any funds should be for specific sites and should not have strings attached
  - c. No zoning changes will be proposed by the managing entity
  - d. All controls remain local under the control of elected county commissioners
  - e. Any historical site cannot place restrictions on any adjoining properties
  - f. No restrictions may be placed on future business opportunities on adjoining lands
  - g. No federal control or legal authority on any site or surrounding properties
  - h. No special taxes can be subjected on citizens within the Heritage site
  - i. Any Heritage area should consume the minimum amount of property.
18. Support transferring Clean Water Act Section 404 "dredge-and-fill" permitting to the state level.
19. Agricultural environmental standards should not be more strict than industry and municipal standards. (2018)

#### Action Items:

#### Stewardship Action Team

1. Support the crop protection industry in their proactive efforts to improve pollinator health.

46a

# NCGA Position

Title: Global Climate Change

TBR Dec. 2018/EXP 2019

Position Number: V-A-2

## Policy Statements:

1. Fully explore through policy research the impacts of climate legislation on agriculture and biofuels.

## Support:

2. In the event climate legislation is introduced, the agriculture sector must be afforded an opportunity to contribute via the market for offsets.
3. The designation of qualified offsets that will be acceptable in a carbon trading program. Qualified offsets must be real, additional, verified, registered, fungible, and permanent (or of contracted duration).
4. Ensure that carbon cap and trade legislation addressing climate change issues incorporate the following conditions:
  - a) Energy costs to business, industry and consumers must remain affordable for our economy to compete in the global marketplace
  - b) Growers of crops must be able to derive sufficient economic benefits from a voluntary enrollment sequestration environment to adequately incentivize their participation and to materially offset the increases in production costs arising from a cap and trade program.
  - c) To mitigate negative impacts of cap and trade program on corn farmers, allowances for fertilizer manufacturers must be strong and permanent.
5. The agriculture sector should be fully rewarded for all verifiable GHG emission reductions. Any legislation or regulations should not restrict private property rights nor penalize producers from utilizing the best and most efficient farming practices for their operation.
6. Continue thorough life-cycle analysis of corn production and the end uses of corn, including livestock and corn-to-ethanol technology.
7. The carbon trading system design should reward early actors in uncapped sectors for incremental reductions after a specified date. The carbon trading system design must identify and guard against potential perverse outcomes such as the temporary cessation of a practice in order to restart the same practice as a qualified additional project earning offsets.
8. Encourage the Department of Energy (DOE) to support policy, research, and infrastructure directed to the use of using corn cobs, stover, and corn kernel fiber as a fuel to generate steam and electricity and as a source of cellulosic feedstock for ethanol. Benefits include replacement of fossil fuels, a reduction of the carbon footprint, and a significant improvement to the energy ratio for growing and processing corn for ethanol in the near term.
9. Support USDA as the administrator of any greenhouse gas or carbon based cap and trade programs.
10. Oppose using international indirect land use change in calculation of the carbon footprint for renewable fuels so that renewable fuels are on an equal footing with petroleum and other industries.

47a

# NCGA Position

Title: Water Quality

TBR Dec. 2020/EXP 2021

Position Number: V-B

Background: The quality of water is a critical national issue, and the efficient use of nutrients is essential for profitable crop production.

## Policy Statements:

### Support:

1. Continued funding for federal non-point source pollution programs authorized by the Clean Water Act.
2. Federal jurisdiction over navigable waters of the United States under the Clean Water Act should be limited to Congressional intent and should honor agricultural exemptions.
3. Voluntary non-point source programs to assist farmers in achieving water quality goals.
4. Research on the impact of site specific application technology on the environment and agriculture.
5. Landowner and department of ag involvement in developing guidelines for watershed nutrient management to be constructed through watershed stakeholder input. Guidelines should be managed through individual State Departments of Agriculture.
6. All Total Maximum Daily Load (TMDL) implementation plans for watershed protection programs should remain voluntary, be incentive based, and provide for farmer input into the decision-making process concerning TMDL assessment and monitoring.
8. Water quality cost share assistance programs, such as EQIP, should be made available to livestock/poultry facilities without bias to size or location.
9. The U.S. EPA shall adopt science-based water quality standards when considering the approval of a TMDL and TMDL implementation plan submitted by the states.
10. The use of EQIP funds and other cost share funding to meet any governmental requirements for storage of fuel, fertilizer or crop protection products.
11. Voluntary measures, including Farm Bill conservation programs to achieve desired environmental goals like reducing nutrient and sediment losses.

### Oppose:

12. EPA efforts to impose mandatory and enforceable requirements for non-point sources of pollution from agricultural lands.
13. Manure applied on cropland at agronomic rates using Best Management Practices from being considered point source pollution.
14. Encourage farmer involvement and participation in watershed planning committees and state technical committees. (2018)

15. Participate in water quality research to create a baseline for nitrogen and phosphorus on tilled land. (2018)

Action Items:

**Stewardship Action Team**

1. Urge the appropriate federal and state agencies to work with universities, commodity groups and general farm organizations to:
  - a) Urge the Environmental Protection Agency (EPA) to use scientifically sound health-based maximum contaminant levels (MCL) when establishing the rules for restricted use crop protection products and nutrients. State governments should use the federal standards for evaluating any need for remedial action.
  - b) Determine the methods and quantities by which contaminants enter water.
  - c) Research effects of such contaminants on human health and environment.
  - d) Acknowledge that the best way for producers to do their part in protecting the quality of our water resources is through the recommended use and safe handling of fertilizers and crop protection products. Develop and prove best management practices to protect water quality and educate farmers in their implementation.
  - e) Make the goal of maintaining and achieving quality water the mutual responsibility of all rural, urban and industrial users of water.
  - f) Acknowledge the importance of responsible nutrient use in profitable crop production.
  - g) Use state land grant university developed nutrient management recommendations for their programs.

# -NCGA Position

Title: Crop Protection Use  
Policy

TBR Dec. 2017/EXP 2018

Position Number: V-C

Background: The Environmental Protection Agency (EPA) should recognize the importance of crop protection products as effective and economical corn production tools, and should recognize that manufacturers of these products and corn growers have voluntarily initiated and adopted changes in use rates, application practices and additional best management practices (BMP) that have resulted in significant decreases in total volumes applied and significant increases in soil and water protection measures. We urge EPA to objectively evaluate the risks and benefits of these crop protection products using the best available science.

## Policy Statements:

1. Farmers should not be held liable if they use products according to label directions and generally accepted agronomic practices.
2. Mandatory record keeping of crop protection products should be limited to restricted-use crop protection products. Confidentiality of the individual's records should be maintained.
3. Support the Food Quality Protection Act (FQPA) to take precedence over local crop protection product regulation and expeditiously:
  - a. Make decisions based on sound science instead of based on default assumptions.
  - b. Register new crop protection products.
  - c. Release regulations and workable tolerances for products that have completed data.
4. Oppose efforts by EPA to require implementation of pesticide management plans.
5. Support a requirement for a scientific-based review and cost risk/benefit analysis for the registration and re-registration of crop protection products including triazines.
6. When addressing risks of crop protection product residues in food, the most scientifically reliable estimates of risk and exposure should be used.
7. Oppose efforts to implement zero tolerance or unrealistic spray drift policies or otherwise attempt to implement drift policy on a case by case basis.
8. Support streamlining the interagency consultation process for pesticide registrations under FIFRA and the ESA.
9. Oppose Inherently Safer Technologies (IST) provisions in federal chemical site security legislation because it would require chemical facilities to assess the viability of switching to "safer" chemical alternatives without considering agronomic necessity and could jeopardize the availability of widely used, lower cost sources of essential plant nutrient products used by farmers.

10. Support repeal of the requirement for National Pollutant Discharge Elimination System (NPDES) permits for pesticide applications as mandated by the U.S. Sixth Circuit Court of Appeals.
11. Oppose governmental agencies prohibiting or restricting beyond their approved labeled use any federally approved GMO, seed technology, or crop protection chemical on any publicly owned or managed land when such land is in agricultural production. The contractual language within agreements between governmental agencies and farmers/growers on agricultural land shall follow proven science and shall provide growers access/use of standard industry practices.



# NCGA Position

Title: Conservation Program

TBR Dec. 2018/EXP 2019

Position Number: V-D-1

## Policy Statements:

1. Support USDA funding conservation cost-share programs with local farmer-elected committee oversight.
2. Support the Natural Resources Conservation Service (NRCS) to provide technical and financial assistance and educational resource planning programs to agricultural producers to help them meet society's expectations for clean water, clean air and healthy land. Support:
  - a) Congress and USDA to ensure that adequate technical assistance is available to agricultural producers to help them address conservation challenges.
  - b) Congress and USDA to look at a long-term view of budgeting for technical assistance that balances national priorities with local needs.
  - c) USDA to explore the use of multi-year agreements when arranging Technical Service Providers (TSPs) to address year-to-year fluctuation of financial assistance.
3. Support compensating producers who already utilize conservation practices in the event that a portion of future program payments are based on switching to such conservation practices.
4. Support matching federal funds to state and local governments for research and education to adapt conservation practices to a modern agriculture.
5. Oppose the public use of private lands enrolled in conservation programs without owners permission.
6. Funds should be made available for agricultural uses from Environmental Quality Incentive Program (EQIP) on a cost-share basis for environmental conservation practices.
7. Support voluntary programs that create environmental incentive payments for implementation of conservation practices.
8. Support conservation compliance by:
  - a) Encourage conservation plans to incorporate sound acceptable cultural practices for the area and provide for the economic capability of the producer to implement the plan according to a defined timetable.
  - b) Using Title I programs to implement USDA conservation compliance.
  - c) Support that the necessary resources to adequately and fairly implement the conservation compliance requirements of current and future farm acts, including continued research to update the universal soil loss equation.
  - d) Penalties assessed to commodity program participants, under the conservation provisions of the Farm Bill, should only be the amount of the payments received on the tract found to be out of compliance.

9. NCGA priorities in developing conservation compliance guidelines are:
  - a) A violation only affects the premium subsidy from the government, not eligibility for crop insurance;
  - b) Enforcement only occurs after all rights to appeal are finalized;
  - c) A grace period is given to come back into compliance, and when back into compliance, the farmer is eligible for full crop insurance policy;
  - d) Enforcement is not applied retroactively to prior crop years (example: claw back provision proposed by Congress to require repaying government premiums for prior crop years);
  - e) The Natural Resources Conservation Service/Farm Service Agency continues to handle both spot checks and appeals, not the Risk Management Agency or other government agency;
  - f) The penalty is only applicable to the farm with the violation on it, not a farmer's total acres.
  - g) support an "act of God" variance for extreme weather effects affecting compliance regulations.
10. Support funding conservation incentives from sources other than the commodity title.
11. Support a conservation program available for all corn growers that rewards them for best management practices used in their operations.
12. Support the practice of conservation cover as a conservation tool that should not be considered primary crops by the FSA.
13. Support efforts to provide more clarity and more flexibility in the interpretation of cover crop rules/regulations by the Risk Management Agency.
14. Support haying and grazing as a part of the multiple uses USDA-funded conservation programs.
15. We support the CSP program to enhance conservation efforts on working lands.
16. We support USDA engaging in field data integration and analysis of conservation practices that quantifies the benefits to the environment and the economic benefits of adoption. Such information shall be used to increase the efficiencies and implement reforms to existing farm programs. We encourage intra-agency cooperation within USDA to aggregate such data that may be deemed relevant in supporting the case for conservation management. Great care must be ensured that strict confidentiality and privacy protocols are maintained. Aggregated data and analysis shall be made available for further academic and industry peer review. (2018)

# NCGA Position

Title: Swampbuster and  
Sodbuster Programs

TBR Dec. 2018/EXP 2019 Position Number: V-D-2

## Policy Statements:

1. The Swampbuster provision should not apply to lands cropped or considered cropped during any one year of the 1981-1985 period. Federal program benefits should be denied only to those lands broken after the enactment of the legislation.
2. When a wetlands violation occurs, FSA should be limited to retroactively withholding payment for a maximum of five years. County and state FSA committees shall have the authority to negotiate reasonable penalties.
3. Swampbuster and sodbuster provisions should have clear and concise definitions, with the National Resources Conservation Service (NRCS) being the sole regulatory agency.
4. Support a simplified, timely and equitable dispute resolution process.
5. Support the rights of farmers and drainage districts to repair, upgrade, and maintain all public and private drainage systems.
6. Support the rights of farmers and drainage districts to drain, improve or maintain any land that has been changed by wind, floods or any forces beyond the farmer's control.
7. Support wetland policies where new wetlands be only from voluntary sources, be specifically targeted (not whole farms) and not result in a loss of fertile cropland suitable for farming.
8. Support mitigation banking for agricultural wetland conversions.
9. Delineation of agricultural wetlands should be made by soil and water district boards, with state NRCS offices providing standard interpretation of wetland guidelines.
10. Support a paid wetlands reserve program.
11. A minimal effects system should be developed and implemented that would permit acreage with little or no wetland value to be exempt from regulation under Section 404 and Swampbuster.
12. To be classified as a wetland, a parcel of land must exhibit during the growing season (to be defined as historical average of frost-free days in the geographic area) all three of the following criteria:
  - a) Hydric soils.
  - b) Hydrophytic vegetation.
  - c) Saturation to the soil surface for 21 days or standing water for 15 days following normal rainfall.
13. Maps used for wetland determinations must accurately reflect the above criteria. Farmers should have the right to local on-site determinations, if they wish.

14. Oppose wetlands determinations based on the 15 days standing water criteria that resulted from failure of internal drainage and/or high river stages.
15. All land farmed and/or where conversion was commenced or was within a drainage district prior to December 23, 1985, should be considered prior converted and exempted from further regulation.
16. Wetlands guidelines should allow the benefits of agricultural conversion to be considered in the Section 404 permitting process and the determination of farm program eligibility.
17. State wetland regulations should be no more restrictive than comparable federal guidelines.
18. The scope of wetlands regulation should be limited to wetland areas of 5 acres or larger.
19. Sunsetting of wetland determinations and certifications should be discontinued.
20. Support all regulatory agencies claiming jurisdiction over wetlands being required to identify and coordinate their areas of jurisdiction

# NCGA Position

Title: Conservation Reserve Program

TBR Dec. 2018/EXP 2019

Position Number: V-D-3

## Policy Statements:

1. Support enrollment into and renewal of the Conservation Reserve Program (CRP) and Conservation Reserve Enhancement Program (CREP) contracts targeted to the most environmentally sensitive land, such as:
  - a) Field borders, large waterways, filter and buffer strips and other areas needed for conservation compliance. If areas above are included, then grazing would be allowed during non-growing seasons. These targeted areas should be allowed to be managed in such a manner that would not disrupt the normal management of the entire field.
  - b) Other land that Natural Resources Conservation Service (NRCS) designates as environmentally sensitive lands.
  - c) Encourage USDA to enroll partial fields with the intent of targeting the most environmentally sensitive areas.
2. Oppose permanent easements.
3. USDA to ensure that payments for whole field enrollments are 30% less than the county average rental rates for similar land capability classes.
4. CRP rental rates should be adjusted to keep environmental and/or significant wildlife habitat sensitive lands in the CRP program.
  - a) Review and update land rental rates as needed
  - b) Pro-rate land rental rates based on sensitivity
5. Support conservation cost-share work to be done after the 8<sup>th</sup> year of a 10-year CRP Contract without forfeiture of CRP payments.
6. Promote and support the voluntary enrollment under the continuous enrollment provision of CRP including:
  - a) wildlife habitat/food plot areas
  - b) filter and buffer strips
  - c) established waterways and turn rows
  - d) other partial field enrollments impacting water quality
7. Support allowing mechanically harvested hay crops as an acceptable rotation crop for CRP eligibility.
8. Support the fall harvesting of biomass on a percentage of CRP acres if a market for biomass is available. In the event such a harvest takes place, CRP program payments on those harvested acres will be forfeited for that year; but there will be no other penalties and the contract will remain intact.
9. Support shifting any government savings from early release of CRP acres to further enhance conservation efforts on working lands.

10. Support the establishment of an E-CRP (Energy and Conservation Reserve Program). This program would mimic and expand the BCAP (Biomass Crop Assistance Program) established under the 2008 farm bill, which makes farmers within qualified areas eligible to receive assistance to cover the cost of establishing and bringing to production, perennial biomass crops. While most perennial biomass crops can serve as filter strips and wildlife cover, under E-CRP these crops will be primarily managed for biomass production.
11. Methodology of breaking contracts should be changed to focus on the farmer and/or landlord being required to pay off the remaining years of contract and reimburse establishment costs provided for by USDA.
12. Support and encourage a greater diversity of options for NRCS CP33 borders and other CRP cover species mixtures that includes considerations of regional diversity of species options.
13. Support allowing noxious weed control or drainage ditch maintenance within Conservation Reserve Program (CRP) land or continuous CRP land without having to ask prior permission from the government.
14. Support rotational grazing of CRP as a mid-contract management practice with a 50 percent reduction in the payment for the year it is grazed for management purposes. (2018)
15. Support maintaining baseline funding of the CRP program. Priority should place focus on environmentally sensitive lands and at a rate not to exceed 80% of county rental rates. (2018)