

2011 RESOLUTIONS OF THE NEBRASKA CORN GROWERS ASSOCIATION

The Nebraska Corn Growers Association (NeCGA) is committed to promoting the general profitability of U.S. corn producers by developing and maintaining a domestic corn production program and a price and income support program. The profitable production of corn is a fundamental objective of the NeCGA. Profitability of corn requires de-mean creation programs consistent with a flourishing U.S. economy, a healthy agribusiness and full employment.

I. INDUSTRIAL UTILIZATION AND DOMESTIC MARKETING

- A. NeCGA believes that this country should have a comprehensive energy policy including an increased capacity for a renewable fuels component that lessens our dependence on foreign oil. (2011)
- B. NeCGA will work to prevent foreign subsidized alcohol imports. (2006)
- C. NeCGA supports expanded ethanol production and value added products in the State of Nebraska from the commodity corn. (2006)
 - 1. NeCGA supports the development of products and industries that utilize corn plant byproducts. (2010)
- D. NeCGA supports increased percentage of ethanol blends to expand the increase of ethanol usage. (2007)
- E. NeCGA supports a continuation of federal incentives for motor fuels containing 10% of more ethanol. (2011)
- F. NeCGA supports efforts to replace petroleum-based products with corn-based products. (2006)
- G. NeCGA supports EPA policy that gives companies that blend ethanol an “operational tolerance” so they aren’t penalized if they add slightly more than 10% ethanol to gasoline. (2009)
- H. NeCGA supports the voluntary labeling of ethanol blend fuels at all retail gasoline outlets across the State of Nebraska. (2007)
- I. NeCGA supports the continued development and use of flex fuel vehicles and supports the establishment of refueling for flex fuel type vehicles. (2011)
 - 1. NeCGA supports the installation of Blend Pumps in Nebraska. (2010)
- J. NeCGA supports a value incentive marketing program with an industry wide quality standard for the purchase of grain. (2006)
 - 1. NeCGA supports the development of equipment and sampling/testing procedures which quickly and accurately determine the intrinsic value of corn and encourages the market to reward that value. (2007)

- L. NeCGA supports protecting the producers' interest in delivered commodities. (2006)
- M. NeCGA supports the implementation of domestic and foreign demand-enhancement programs. (2006)

II. NATIONAL CORN PRODUCTION PROGRAM

A. NeCGA supports planting flexibility with contract payments allowing voluntary crop rotation and payments for conservation programs. (2007)

B. **Government Farm Programs:** NeCGA supports a Government Farm Program that addresses rural policy in order to improve rural development and bolster the rural economy. (2011)

- 1. FSA County Committee...NeCGA urges USDA to keep the FSA County Committee a 3-member farmer-only position by producers with a three 3-year consecutive term limit. (2006)

C. **Commodity Title:** NeCGA supports farm policy that provides an adequate economic safety net for producers. (2011)

- 1. NeCGA supports continuing a marketing loan in order to achieve a competitive level of corn prices in the international market without discriminating against domestic users of corn under this mechanism. (2007)

2. Loan Rates...

- (a) NeCGA supports raising the minimum loan rate. (2007)

3. NeCGA urges the USDA to establish a revolving fund for commodity loans. (2011)

4. NeCGA supports using the most recent yield data in establishing yield history. (2006)

- (a) NeCGA supports using Federal Crop Insurance records for FSA production history. (2007)

5. NeCGA supports a payment cap on direct payments, LDP and marketing loan gains to active farm operations. (2006)

6. NeCGA supports incorporating inflation adjustments for all farm programs. (2011)

D. **Conservation Title:** NeCGA supports good soil and water management conservation practices. (2007)

1. Conservation Reserve Program...

- (a) NeCGA supports continuation of the CRP with priority being given to highly erodible land and land that might affect water quality. (2011)

2. NeCGA supports a CRP bidding program for triazine free zones and conservation filter strips along streams. Payment rates for irrigated land should reflect rental rates in each area. Incidental grazing should be allowed when gleaning adjoining fields without reduction in payments. (2006)

3. NeCGA urges the NRCS to be more vigilant regarding conservation plan compliance. (2011)

4. Conservation...

(a) NeCGA supports the NRCS policy of modifying and improving conservation plans. (2006)

(b) NeCGA supports recognizing producers who already utilize conservation practices in the event that a portion of future program payments are based on switching to such conservation practices. (2006)

5. Sodbuster/Swampbuster...

(a) NeCGA opposes application of sodbuster or swampbuster provisions on any land broken before the enactment of the 1985 Farm Act. (2007)

6. Wetlands...

(a) NeCGA urges that wetlands be identified on a field inspection basis and not just on aerial maps or soil maps. Wetlands should be identified and management procedures recommended by one agency, preferably a local NRCS. (2011)

(b) We urge the definition of wetlands to be not less than ten acres in size. (2006)

7. NeCGA supports efforts to maintain and expand EQIP funding to meet the needs of agriculture requirements in the future. (2011)

E. Crop Insurance: NeCGA supports crop insurance as a primary component of risk management. (2011)

1. NeCGA supports the CRC insurance program and urges the USDA Risk Management Agency to continue the program and fully fund at present levels. (2007)

2. Federal Crop Insurance...

(a) NeCGA encourages Congress and the administration to make Multi-Peril insurance financially sound and a workable program for agriculture in lieu of disaster relief. (2011)

(b) When the cost of harvesting a crop exceeds the value of a crop in the field, the yield will be zero for crop insurance payment purposes, using the state's average custom rates as published by the University Extension Service. (2006)

(c) NeCGA supports contract provisions for full refund of farmer paid premiums in the event that Congress provides ad hoc crop loss assistance for the insured crop year. (2011)

(d) NeCGA supports using a “simple average” of existing units per county when determining yield on added land. (2006)

(e) NeCGA supports crop insurance reform that would allow irrigated acres to be insured at different levels than non-irrigated acres. (2007)

(f) NeCGA supports the use of GPS and yield monitor systems for proving harvested yield, for both loss and production reporting for an insurable unit. Total farm production may still need qualifying evidence to support yield monitor records. (2011)

(g) NeCGA supports RMA guidelines which treat groundwater and surface water irrigators equally when evaluation prevented planting claims because of water shortages. (2006)

(h) NeCGA supports revising the corn and soybean replant maximum payment allowed to more accurately reflect the actual cost of replanting or allow for uninsured cropping options. (2010)

(i) NeCGA supports changes in the Federal Crop Insurance premium subsidy structure to ensure equivalent dollar levels of subsidy for yield, revenue and income protection policies, regardless of selected unit coverage: basic, optional, enterprise, whole farm or group risk. (2011)

III. INTERNATIONAL TRADE AND EXPORT EXPANSION

A. NeCGA strongly supports removal of restrictive trade sanctions on agricultural commodities and opposes all grain embargoes/trade sanctions. (2007)

B. Export Enhancement...

1. NeCGA would like to eliminate restrictive criteria in export policies for all commodities, to all countries. (2011)

C. NeCGA recommends assisting the special trade representative in developing U.S. trade policy and strategy and developing trading rules and solving disputes through GATT negotiations. (2006)

D. NeCGA encourages and supports the development and promotion of corn derived sweeteners. NeCGA opposed importation of foreign government subsidized sugar products. (2007)

E. NeCGA supports efforts to maintain the duty free status of gluten feeds on exports to the European Union (EU). (2011)

F. NeCGA recommends that all food imports be subject to the same phyto-sanitary standards as domestic products. (2006)

G. NeCGA supports the substantially equivalent standards for nutrition, safety and functionality for marketing enhanced grain varieties. (2007)

- H. NeCGA supports extending credit guarantees to the developing nations. (2011)
- I. NeCGA encourages the development of international markets for value added corn products being produced in Nebraska. (2006)

IV. RESEARCH AND EDUCATION

A. Research...

- 1. NeCGA supports safe and responsible use of fertilizers and pesticides in corn production and supports USDA research to reduce input costs in corn production. (2007)

B. NeCGA recommends that the Food and Drug Administration have factual information, allow public hearings, and make thorough investigations before making statements regarding dietary recommendations and agricultural production methods; and further requests the USDA educate the public about how using input products in a responsible manner insures an abundant and safe food supply. (2011)

C. NeCGA supports continued funding for corn genomic research. (2006)

D. NeCGA supports the use of biotechnology that is proven scientifically safe. (2007)

- 1. NeCGA supports the commercial release of new hybrids created with the use of biotechnology or conventional breeding that have received full approvals from all relevant U.S. regulatory agencies, and have approvals from other major international corn markets. (2011)

E. NeCGA supports NCGA's policy on plant derived biologic (PDB) corn. (2006)

F. NeCGA strongly supports the current FDA policy on labeling requirements for foods processed with biotech commodities. Contents of a product that are not substantially different should not be differentiated. Labeling should not discriminate against approved new technologies. (2007)

G. NeCGA supports the study and research of necessary revisions of the federal grades and standards for corn, focusing in particular on: (2011)

- 1. Tightening and enforcing grain quality standards to ensure that better quality grain is exported from U.S. sources;
- 2. Promoting the concept of not allowing any foreign material to be added to and/or blended in export grain except chemicals for transportation;
- 3. Changing grain grading standards to give sellers credit for dry corn on a dry matter basis.

H. NeCGA supports uniform standards based on independent scientific data for the sampling and test procedures used to determine mycotoxin contamination levels. (2011)

I. NeCGA is opposed to any climate change legislation including cap and trade or any other unproven models. (2010)

J. NeCGA is opposed to any legislation that includes “Indirect Land Use Change” provisions. (2010)

K. If Cap and Trade is implemented into ag. Production, NeCGA supports USDA to be the regulatory agency. (2010)

L. Education...

1. NeCGA encourages the NRD’s and the University of Nebraska to continue their efforts to educate corn producers and the general public about soil and water conservation. (2007)

M. NeCGA supports the continued educational programs of safe environmental and consumer benefit of agriculture for the good of the general public. (2011)

1. NeCGA supports educational efforts that promote agriculture to youth. (2010)

N. NeCGA supports programs that broaden opportunities in agriculture and agribusiness for youth including coordinating with FFA, 4-H and similar programs. (2006)

VI. TRANSPORTATION

A. NeCGA supports the existing cargo preference to P.L. 480 exports and supports passing the increased cost of the subsidy to the U.S. Department of Transportation. (2007)

B. NeCGA supports a greater emphasis on improved rural road development to enhance economic development. (2011)

C. NeCGA supports a competitive rail transportation strategy including the development of a mutual model with rates and programs to maintain an orderly movement of corn. (2006)

1. NeCGA supports establishing state and federal matching loans or grants to upgrade short line rails needed to carry heavier weight. (2007)

2. NeCGA supports competitive and nondiscriminatory rate structure for short lines. (2011)

D. NeCGA supports the development of Identity Preserved transportation programs. (2006)

E. NeCGA supports the continued current regulation of anhydrous ammonia pipelines. (2007)

F. NeCGA supports improvement to the highway, railroad and barge systems recognizing the opportunity to supply the domestic and export markets. (2011)

G. NeCGA supports management of the Missouri River that places the highest priority on economic uses of the river, i.e., power generation, flood control for agriculture land, navigation and irrigation. NeCGA recognizes the recreation and economic value of the river and will work with others to maintain and enhance recreational and environmental benefits. (2011)

H. NeCGA opposes 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. (2006)

I. NeCGA supports the repeal of the Jones Act. (2007)

VI. TAXATION

A. Federal Taxes...

1. NeCGA opposed raising the federal tax on gasoline and other forms of energy as a method of federal budget reconciliation. (2011)
2. NeCGA supports federal budget reconciliations providing they include across the board cuts of equal percentage. (2006)
3. NeCGA supports income averaging for tax purposes for farmers and ranchers receiving the majority of their income from farming and ranching. (2007)
4. NeCGA supports increasing the current level of exemption of the federal estate tax. (2011)
5. NeCGA rejects attempts to increase the gift tax and opposes any capital gains taxes imposed upon new basis granted at time of death. (2006)
6. NeCGA supports congressional action to amend the Social Security law so that the International Revenue Service can only reference the farmland "lease agreement" when determining whether the landowner materially participates in the farming operation and thereby owes Social Security tax on rental income. (2007)
7. NeCGA supports treating non-road use of ethanol and other biofuels as tax exempt fuel. (2011)

B. State Taxes...

1. NeCGA opposes taxes on fertilizer, plant nutrients, and agricultural chemicals. (2011)
2. NeCGA opposes any new and/or additional tax or tax increase on any value-added product derived from the commodity corn. (2006)
3. NeCGA opposes excise tax on diesel fuel for nonroad use. (2007)
4. NeCGA supports a Nebraska Investment Tax Credit for livestock operations. (2011)
5. NeCGA supports the exemption of sales tax on new and used agricultural equipment and all repairs for agricultural equipment. (2011)

C. Property Taxes...

1. NeCGA opposes all forms of personal property taxes. (2006)
2. NeCGA supports extending to Personal Property Depreciation Schedules the same section 179 expenses as applied to federal returns. (2007)
3. NeCGA supports the redistribution of the cost of education from major dependence on property tax so that it will carry no more of a tax burden than sales and income tax. (2011)

4. NeCGA supports ag land valuations for property tax purposes to be determined by earning capacity or rent earning capacity rather than market value of land. (2006)
5. NeCGA supports local tax lost to valuation changes due to water use restriction be replaced with State General Funds. (2011)
6. NeCGA supports the concept of removal of producer-owned land for real property taxation that is classified wetlands and abandoned because of wetland determination. (2007)
7. NeCGA supports limitation on property tax used to fund school districts. (2011)

VII. ENVIRONMENT

- A. NeCGA urges EPA and the Nebraska Department of Environmental Quality to use the best science available when enacting rules that affect agriculture. (2010)
- B. NeCGA opposes any regulations that would mandate the substitution of commercial nitrogen fertilizers with rotational legume crops. (2006)
- C. NeCGA opposed any state and/or federal efforts to legislate or regulate dust and/or odor from agriculture operations. (2006)
 1. NeCGA supports exemption of agricultural operations from Clean Air Act and greenhouse gas emission regulations. (2009)
- D. NeCGA encourages the EPA to reconsider the total ban of certain granular pesticides, and NeCGA supports the limited, regulated use of certain granular pesticides for spot treatment of specific insect infestations. (2007)
- E. NeCGA supports the Nebraska system of NRD's as a national model for deal with natural resource issues. (2011)
- F. NeCGA should monitor EPA Work Protection Standards and oppose implementation of unreasonable regulations as related to corn production. (2006)
- G. NeCGA encourages NRD's to consider the education of producers in Best Management Practices as the first phase in developing management plans for SPA's and allow 3-5 years for implementation and evaluation of educational efforts. (2007)
- H. NeCGA opposes the one man, one vote system of representation for the NRD's. (2011)
- I. NeCGA supports local NRD management dealing with water quality and quantity issues on a local management area basis. (2006)
- J. NeCGA encourages the Nebraska Game and Parks Commission to implement a more aggressive deer management plan, to reduce the negative economic impact large deer populations have on crops. (2009)
- K. NeCGA discourages state and federal government from granting Indian tribes authority to regulate environmental laws over growers who are not members of their tribe or over land on which they do not hold title. (2007)

VIII. WATER

A. NeCGA supports funding for water issue resolution (if needed) coming from an occupation tax levied and retained by the NRD's along with matching funds from the Water Resource Cash Fund. (2011)

B. NeCGA recognizes the importance of irrigation to Nebraska agriculture and supports efforts to maintain and enhance that objective while considering the public interest. (2011)

C. NeCGA opposes taxation and fees on any irrigation well and in-state agricultural water use. (2010)

D. NeCGA shall cooperate with interested parties to develop an integrated water management plan acceptable to agricultural and irrigation interests. (2006)

E. NeCGA opposes any unreasonable in-stream appropriations increase of water flow for all tributaries, streams and rivers in the state of Nebraska.

1. Endangered Species Act shall not be used as the override factor for appropriations. (2007)

F. NeCGA understands municipalities are entitled to have in stream appropriations, but only if the priority date to establish an appropriation right is the application date, and not the construction date of the municipal well, thereby requiring compensation to all water uses with a senior priority date. (2011)

G. NeCGA supports regulation in times of shortage, and appropriate and reasonable federal and state requirements for all water used in the State of Nebraska be regulated by the reasonable use-correlative rights doctrine. (2011)

H. NeCGA supports the concept that Natural Resource Districts have legal authority to regulate activities relative to declines in groundwater levels and non-point source contamination of groundwater, and are the entities that regulate activities which contribute to conflicts between groundwater users and surface water appropriations or to noncompliance with interstate compacts, decrees or federal law. (2006)

1. NeCGA supports local NRD control of water restriction or release by geographic area. (Not state or federal) (2011)

I. NeCGA recognizes:

1. Conflicts between surface water and ground water may occur and should be dealt with on an area case-by-case basis. (2006)

2. Specific studies should be established to determine area hydrologic relationships between surface water and ground water. (2007)

J. NeCGA supports states water rights. Recognizing the value of all sources of water in the State of Nebraska and the economic benefit to the State of Nebraska, NeCGA encourages the protection of all water sources for the benefit of the State of Nebraska. (2011)

- K. NeCGA encourages the construction of impoundment structures through the use of state and federal funds to help conserve water. (2006)
- L. NeCGA supports dedicating a portion of the State sales tax and or general fund dollars to replace the current checkoff on corn that is to be used for the water resource cash fund. (2010)
- M. NeCGA supports NRD being responsible for ground and surface water use in their basin with DNR monitoring issues relating to state and federal law. (2006)
- N. NeCGA supports the control at the local level for the Natural Resource Districts. (2010)
- O. NeCGA recommends that in any integrated water management legislation that no restrictions on underground irrigation wells be imposed before an integrated water management area has been designated. (2007)
- P. NeCGA supports title transfer of Bureau of Reclamation irrigation transportation projects. (2011)
- Q. NeCGA opposes the sale of ground and surface water and opposes the transfer of ground water out of state. (2006)
 - 1. NeCGA opposes using ground water to meet river compacts. (2010)
 - 2. NeCGA supports the creation of water reservoirs to be used for river flow augmentation and recreational use. (2010)
- R. NeCGA supports the lease and transfer of surface water with the following criteria: (2007)
 - 1. Short term leasing
 - 2. A willing lessor and a willing lessee
 - 3. Oversight by the Department of Natural Resources to protect third party interest
 - 4. Reversion of the water right back to its original terms and conditions if the lease is terminated
 - 5. Changing the three-year requirement of the Department of Natural Resources that provides for the cancellation of a right for non-use
 - 6. Preventing land reclassification for tax purposes if water right is leased.
- S. NeCGA supports the voluntary use of meters as a good management tool, by continuing the cost-share program. (2007)
- T. NeCGA supports defending the word “Navigable” in the Clean Water Act. (2010)

IX. LIVESTOCK

- A. NeCGA supports the continuation and expansion of the livestock industry. (2011)
 - 1. NeCGA opposes any moratorium on the expansion of the livestock industry in the State of Nebraska. (2006)
- B. NeCGA supports a livestock environmental policy that requires all confined livestock operations to meet the same environmental standards of the present regulations of the Department of Environmental Quality. (2007)

- C. NeCGA supports individual state regulation, not federal legislation, for environmental livestock concerns. (2011)
- D. NeCGA supports the enforcement of the Packers and Stockyard Act, and the enforcement of the national ban on packers owning and feeding livestock. (2006)
- E. NeCGA encourages Nebraska counties to see “Livestock Friendly” designation. (2006)
- F. NeCGA supports the Alliance for the Future of Agriculture in Nebraska (A-FAN) and its goal of transforming livestock production into economic vitality for rural Nebraska. (2006)

X. GENERAL

- A. NeCGA urges all corn producers to cooperate with the Agricultural Statistics Service to provide accurate statistics. (2007)
- B. NeCGA encourages greater cooperation between all commodity organizations. We encourage the formation of joint advisory committees so that agriculture may speak with a unified voice. (2011)
- C. NeCGA urges state government to assist rural communities in acquiring new technology. (2006)
- D. NeCGA encourages the State of Nebraska and the University of Nebraska Board of Regents to recognize the important role of the University of Nebraska Institute of Agriculture and Natural Resources (IANR) and the impact of IANR programs by providing needed financial support to extension, research, and teaching programs. (2007)
- E. NeCGA promotes the continued development of the UNL Industrial Ag Products Center for value-added agricultural products. We encourage federal funding for the center. (2011)
- F. NeCGA shall pursue legislation to change the structure of the Nebraska Corn Resource Act. The new structure would include: (2011)
 - 1. The checkoff not being a state agency.
 - 2. The checkoff would be mandatory with a right of refund.
 - 3. The board would be elected by the producers who pay the checkoff.
 - 4. The rate of checkoff would include a mechanism for future increase.
- G. NeCGA opposes any excise tax on corn production other than used for research, market development or promotion. (2011)
- H. NeCGA supports active corn producer representation on the Agricultural Advisory Committee of the Chicago Board of Trade. (2006)
 - 1. NeCGA supports a review of current policy on trading limits – volume and price. (2011)
 - 2. NeCGA supports a study to create a workable delivery point system for commodities. (2011)

- I. NeCGA supports 100% deduction of health insurance premiums on tax schedules C and F for all self employed. (2007)
- J. NeCGA recommends a cap of \$300,000 for “Punitive Damages” in civil liability cases. (2011)
- K. NeCGA supports Nebraska’s Public Power Policy and opposes any deregulation of power utilities in Nebraska. (2006)
- L. NeCGA supports affordable electricity from renewable resources and non-petroleum sources. (2011)
- M. NeCGA supports equal sanitary standards for inspection of meat, poultry and fish. (2007)
- N. NeCGA supports zoning in the State of Nebraska; (2011)
 - 1. Given that each county may set its own pace in setting up their own guidelines on zoning and,
 - 2. NeCGA maintains that farmland is a valuable natural resource and shall be treated accordingly when zoning issues are considered.
- O. NeCGA supports maintaining the Nebraska Tractor Testing Laboratory. (2006)
 - 1. NeCGA supports removing the requirement that every model of tractor sold by a Nebraska dealer be tested by the Nebraska state testing laboratory. (2007)
- P. NeCGA supports programs at all levels of government to provide incentive for beginning farmers, ranchers and small businesses in rural America. (2011)
- Q. NeCGA supports abolishment of term limits for state senators. (2006)
- R. NeCGA encourages the Public Service Commission to increase bonding requirements of licensed grain facilities. (2007)
- S. NeCGA supports rural economic development through recreation and agri-tourism activities. Proper, affordable liability insurance should be made available in order to protect the landowner. (2011)
- T. NeCGA supports limiting the use of the power of Eminent Domain to the acquisition of essential, non-recreational projects. Due process and impact studies should be conducted prior to state and local spending on the conversion of farmland to other uses. Use of Eminent Domain for community redevelopment should be limited only to areas determined to be blighted, where the blighted determination seeks to redress an existing property’s use or condition that constitutes a public menace, public health concern’s or otherwise cause public harm. (2011)
- U. NeCGA supports Ag lending institutions in their efforts to provide corn producers, rural businesses and rural Nebraska residents with sound, dependable funding for a variety of financial needs. (2006)