



# Newsletter

*“The VOICE of Oregon’s Wheat Producers since 1926”*

115 SE 8th Street • Pendleton OR 97801  
Phone: 541-276-7330 • Fax: 541-276-1723  
<http://www.owgl.org>

July 28, 2010

Volume 23, No. 15

## OWGL Board of Directors

*Proud to Serve Oregon’s  
Wheat Producers*

### Executive Team:

Darren Padget, President  
Craig Reeder, Vice President  
Tyson Raymond, Secretary/Treasurer  
Jeff Newton, Immed. Past President  
Tammy Dennee, Executive Director

### Committee Chairs:

Lisa Rietmann, Environment/Regulations  
Paul Bracher, Federal Programs/  
Transportation  
Mike Noonan, Marketing  
Dan Steiner, Marketing Vice Chair  
Suzi Frederickson, Membership  
Craig Reeder, Research/Value Added

### County Presidents:

Walter Powell, Gilliam County  
JW Walker, Klamath County  
Larry Price, Malheur County  
Shannon Rust, Morrow County  
Bob Martin, Sherman County  
Tanner Hawkins, Umatilla County  
Kurt Bowman, Union/Baker Counties  
Kurt Melville, Wallowa County  
Charles Remington, Wasco County  
Tom Duyck, Willamette Valley

### Ex-Officio:

Dan Steiner

## The Risk Management Agency Introduces Its New Common Crop Insurance Policy 2011 Crop Year Update

Change is often for the better, and that is what U.S. Department of Agriculture (USDA) Risk Management Agency (RMA) strived for in combining various insurance plans for the 2011 crop year.

The new insurance policy combines five insurance plans with similar features into one single policy. The four insurance plans that have been combined are Actual Production History (APH), Crop Revenue Coverage (CRC), Revenue Assurance (RA) and Income Protection (IP) that had similar features into a single policy. RMA kept the most important features of each insurance plan while simplifying the insurance options a producer faces when buying coverage. Wheat, barley, malting barley, corn and canola/rape-seed are the crops most affected by this change in the Spokane region.

“The intended effect of these changes is to offer producers a choice of revenue protection or yield protection under one policy. These changes will greatly simplify the program for agents and will help to promote better understanding of the options available for producers in our region,” said RMA’s Spokane Regional Director Dave Paul.

If a producer has an active insurance policy for one or more of the affected crops during the 2010 crop year, the insurance policy will be converted automatically to the new policy. No additional work is needed for insured producers who do not wish to make changes to their crop insurance policy for the 2011 crop year. The chart below describes how a 2010 policy will be converted to the new policy for the 2011 crop year.

### INSURANCE PLAN CONVERSION CHART

#### 2010 CROP YEAR POLICY

#### CONVERTED 2011 CROP YEAR TO:

<b>Crop Revenue Coverage (CRC)</b>	→	Revenue Protection
<b>Revenue Assurance (RA)</b>	→	Revenue Protection
with Fall Harvest Price Option		
<b>Revenue Assurance (RA)</b>	→	Revenue Protection with Harvest
without Fall Harvest Price Option		Price Exclusion
<b>Actual Production History (APH)</b>	→	Yield Protection
(Cat Endorsement)		
<b>Income Protection (IP)/Indexed</b>	→	Revenue Protection with Harvest
<b>Income Protection (IIP)</b>		Price Exclusion
<b>CAT Income Protection (IP)/Indexed</b>		Revenue Protection with Harvest
<b>Income Protection (IIP)</b>	→	Price Exclusion (50/100)

“The Oregon Wheat Growers League is a not-for-profit Trade Association funded in part (approx. \$.01/bu.) by the statutorily mandated \$.05/bu. assessment paid by every wheat producer/landlord when their grain is marketed at the first point of sale. This assessment is collected by the Oregon Wheat Commission, a State Agency, located in Portland, Oregon. The balance of the OWGL budget is comprised of voluntary membership dues from producers and business owners throughout the State of Oregon.”

### Diamond Pioneer Nominations Open

Nominations are now being accepted for the Oregon State University Diamond Pioneer Agricultural Career Achievement Registry. Award criteria, Nomination Form, and a Registry of Past Recipients can be found on the college's website at <http://agsci.oregonstate.edu/alumni/awards>

The deadline to submit nominations is Friday, August 13, 2010. If you have any questions, please contact Loretta Austin at 541-737-2331 or at [loretta.austin@oregonstate.edu](mailto:loretta.austin@oregonstate.edu)



### U.S. Wheat Associates Officers Installed at Board Meeting

The U.S. Wheat Associates (USW) Board of Directors installed new officers at its annual meeting July 12, 2010, in Bozeman, MT. Don Schieber of Ponca City, OK was installed as Chairman, while Randy Suess of Colfax, WA, became Vice Chairman, and Darrell Davis, of Ipswich, SD, began his term as Secretary-Treasurer.

**Calendar**

**SAVE the DATE!**  
**Oregon/Idaho Grains Conference**  
 December 1-3, Portland Doubletree - Lloyd Center

---

**Have a Safe and Productive Harvest!**



Janice Mattson of Chester, MT, moves to Past Chair and will chair the USW Budget Committee. These USW officers were elected to their one-year positions at a January 2010 Board of Directors meeting.

The USW Board meeting began Sunday, July 10, with committee meetings, including Biotechnology and International Trade committees that stand jointly with the National Association of Wheat Growers (NAWG). On July 1, Dr. Don Fast, Chairman of the Montana Wheat & Barley Committee, welcomed the board to Montana, followed by reports from wheat producers who participated in trade visits to monitor USW activity in Asia, the European Union, and North Africa. Louis Dreyfus Senior North American Wheat Trader Neal Driscoll also provided an outlook of the U.S. and world wheat market. In addition, the board, family, colleagues, and friends honored outgoing USW Chair Janice Mattson at a special event hosted by the Montana Wheat & Barley Committee.

The meeting continued on July 12 with committee reports and a presentation by Dean Folkvord, CEO of Montana Farms & Bakery, on consumer bakery product trends. USW Vice President of Overseas Operations Vince Peterson reported on global export market activities, and USW Director of Policy Rebecca Bratter reviewed critical trade policy priorities

for wheat producers. The meeting concluded with an update on U.S. wheat research by Kansas Wheat Executive Director Justin Gilpin and installation of the new officers.

USW's next Board meeting will be held jointly with NAWG, in Minneapolis, MN, Oct. 22 to 25, 2010.

U.S. Wheat Associates is the industry's market development organization working in 90 countries on behalf of America's wheat producers. The activities of U.S. Wheat Associates are made possible by producer checkoff dollars managed by 18 state wheat commissions and through cost-share funding

provided by USDA's Foreign Agricultural Service. For more information, visit [www.uswheat.org](http://www.uswheat.org) or contact your state wheat commission.

### Japanese Foreign Minister Honors Two Oregonians

The Japanese Government announced on July 12, 2010 that two Oregonians were awarded with the Foreign Minister's Commendation, an honor awarded once a year to individuals and groups worldwide who make outstanding contri-

*Continued, page 3*



2010-11 U.S. Wheat Associates officers (L-R): Secretary-Treasurer Darrell Davis, Ipswich, SD; Vice Chairman Randy Suess, Colfax, WA; Chairman Don Schieber, Ponca City, OK; Past Chair Janice Mattson, Chester, MT; President Alan Tracy, Arlington, VA.

### Your Oregon WheatPAC Contribution –

**Dollar-for-Dollar Credit, Not a Deduction**

For more information on how to contribute, see page 6.



*Honors....Cont. from Page 2*

butions to the friendly relationship and mutual understanding between Japan and their countries.

One of the recipients is Henry Sakamoto, 83, of Portland. Mr. Sakamoto has been the President of the Japanese Ancestral Society of Portland until early this year, and is still active in the Japanese American community here as the Vice President of Oregon Nikkei Endowment, where he also served as President for a long time. As a young boy, he experienced internment during World War II. After the war, he devoted himself to the promotion of mutual understanding between Japan and the US. He has also been active in preservation of the history of Japanese immigrants to the US and contributed to the establishment of the Japanese American Historical Plaza along the Willamette River 20 years ago. On July 30, there will be a rededication ceremony of the Plaza. Mr. Sakamoto is also a star singer of the Minidoka Swing Band, named after the internment camp where he spend his boyhood. The award ceremony for Mr. Sakamoto is scheduled to take place on August 6 at the official residence of the Japanese Consul General, Takamichi Okabe.

Another recipients is Junki Yoshida, 60, Chairman and CEO of Yoshida Group and a well-known businessman and philanthropist. He has contributed greatly by nurturing a good relationship between Oregon and Japan in various capacities, such as advisor to the governor and a Port of Portland commissioner. He now serves as a commissioner of the State's Business Development Commission. Through teaching karate and producing the famed line of Yoshida sauces, he has also promoted Japanese culture and food in the US. He is very active in giving lectures both in Japan and in the US about his life story, inspiring many youths and encouraging mutual understanding between the two countries. The award ceremony for Mr. Yoshida will be held later this year.

The foreign Minister's Commendation for 2010 was awarded to 58 individuals and 39 groups all over the world.



## Energy Bill Looking Less Likely Before August Recess

A long-awaited energy compromise that Senate Majority Leader Harry Reid has been compiling was not presented publicly as anticipated.

NAWG has been working with coalition partners on this effort over the past several months and has met recently with a number of Hill offices engaged in the discussion.

As of yet, NAWG staff has heard nothing from the Majority Leader's office to indicate the issue will not be considered this year, but the timeline is becoming tight for consideration this work period.

NAWG signed a letter of support for a bill introduced by Senators Amy Klobuchar (D-MN) and Tim Johnson (D-SD) that would incentivize investment in renewable energy infrastructure, thereby advancing the prospect of U.S. energy security.

The Securing America's Future with Energy and Sustainable Technologies Act (SAFEST) could be added as an amendment to an energy bill if one makes it to the Senate floor.

If adopted, the bill would spur investment by providing tax credit for blender pumps and establishing requirements for the production of 'fuel choice-enabling automobiles' among other measures.

In addition to NAWG; the American Soybean Association, National Corn Growers Association, Growth Energy, Renewable Fuels Association and the National Biodiesel Board have lent their support to Klobuchar and Johnson's proposed amendment.

All efforts to provide an environmentally friendly and economically sound energy bill will be closely monitored by NAWG.

## Hearings Review Rural Programs, Crop Insurance, Hunger Policy

*Congressional committees held a number of hearings on issues of interest to wheat producers.*

### Crop Insurance

The House Agriculture Committee's Subcommittee on General Commodities and Risk Management met to review crop insurance programs. The first panel featured Risk Management Agency Administrator Bill Murphy, followed by a second panel consisting of seven representatives from various crop insurance agencies and associations.

Much of the discussion focused on the recent rewrite of the Standard Reinsurance Agreement (SRA), which USDA announced had been signed by all 16 crop insurance companies that wrote policies in the 2010 crop year.

A new cap on insurance agent commissions and the \$4 billion cut the 2012 Farm Bill budget baseline will likely take from the agreement's renegotiation were specific issues at hand. The cost of implementing the new agreement was also a concern; studies are currently being conducted on the cost of implementing the new SRA by RMA, but Robert Parkerson of the National Crop Insurance Services was able to cite a figure of \$100 million in conversion costs for the 16 insurance companies.

Still, there was widespread agreement that crop insurance is the best available risk management tool, and most of the hearing was spent discussing ways improve it.

Full opening statements from the hearing are at <http://agriculture.house.gov/hearings/statements.html>.

### Rural Development

The House Ag Committee's Subcommittee on Rural Development, Biotechnology, Specialty Crops and Foreign Agriculture held a hearing to review rural

*Continued, page 4*

**Hearings..Continued from page 3**

development programs.

Dallas Tonsager, USDA's Under Secretary for Rural Development, was on the first panel along with three other, subordinate USDA administrators, and the second panel included electric, telecommunications and rural development representatives.

Much of the conversation at the hearing focused on broadband expansion and so-called "green jobs" development.

Tonsager said the creation of non-exportable green jobs by promoting renewable energy production is now one of the USDA's "five pillars" for growth and rural development. While no actual projects or development on this front was mentioned, dedication of USDA resources to this effort could be positive for NAWG priorities including cellulosic ethanol.

Full opening statements from the hearing are at <http://agriculture.house.gov/hearings/statements.html>.

**Hunger Policy**

The House Committee on Foreign Affairs met to examine the federal government's food and hunger initiative, Feed the Future.

The program has been granted \$3.6 billion to spend over the next three years and was created as part of the Administration's efforts to integrate defense, development and diplomacy and to focus on building long-term partnerships and infrastructure.

Officials from USAID and the Department of State testified at the hearing, along with others from agribusiness, plant resource organizations and several Non Governmental Organizations (NGOs). Concerns raised by Members and panelists included many typical with development-related discussions including cost, potential corruption and misuse of funds by participating countries, and the difficulties of measuring progress.

A dominant theme of the discussion was local and regional purchase (LRP) programs. A pilot LRP program was included in the 2008 Farm Bill, which should provide a number of lessons for these policy discussions in the future.

For more from the hearing, see a web rebroadcast at <http://www.internationalrelations.house.gov/schedule.asp?showdate=7/20/2010>.

*Editor's note: this story was heavily based on reporting from NAWG's summer intern, Carl Jensen.*

**Members of Congress Write USDA in Wake of Alfalfa Court Case**

Seventy-five house members signed a letter to USDA Secretary Tom Vilsack urging the USDA to partially deregulate Roundup Ready® alfalfa (RRA) in time for inventoried seed to be planted in 2010. The largely bi-partisan effort, organized by Rep. Lynn Jenkins (R-KS), is intended to make the benefits from a recent ruling of the Supreme Court available to farmers before the next planting season.

On June 21st the Supreme Court ruled 7-1 to strike down a 2007 injunction issued by the 9th Circuit Court that banned further planting of RRA nationwide. The Supreme Court opinion, delivered by Justice Samuel Alito, said that the 9th Circuit Court overstepped their legal bounds by issuing the injunction, and that the USDA will have the authority to permit interim planting of RRA prior to completion of a full Environmental Impact Statement (EIS).

The letter from the House members cited statements from the Supreme Court, excerpts from a USDA report on RRA, and higher profits associated with the planting of the bio-technology crop to persuade Secretary Vilsack to partially deregulate RRA.

While the USDA does not have authority to completely deregulate the planting of RRA until the Animal and Plant Health Inspection Service completes an EIS, the Court's ruling does allow the Department to permit interim use of previously harvested and inventoried seed.

The Supreme Court case and the resulting re-introduction of RRA could set an important precedent for future bio-tech advances.

**NAWG First VP Gives Grower Perspective at Climate Meeting**

NAWG First Vice President Wayne Hurst provided the producer perspective to White House, USDA and other government officials at an interagency meeting on climate change held in Denver.

Hurst, a wheat producer from Burley, Idaho, was one of a half dozen producers in attendance at the meeting, a public outreach session of the Interagency Climate Change Adaptation Task Force, which was established in 2009 and includes representatives of more than 20 federal agencies.

In his presentation, Hurst walked audience members through how he makes decisions on his farm to maximize production and price potential and minimize risk. He used the example of one wheat field and described how he rotated crops on the field, what soil testing he did, how he chose seed and insurance for the field.

He emphasized that growers are used to taking risk while mitigating that risk as much as possible, and that Congress and USDA offer several tools to help producers do just that. He noted that producers, particularly profitable producers, are willing and able to make quick changes on their operations if it makes sense for their businesses and their families.

He told attendees that NAWG sees the value of USDA taking the lead on energy and climate change policies that affect agriculture. The agency and its officials are well-known to farmers, seen as partners in much of farm country, and many farmers have experience working with USDA on a voluntary basis.

Representatives from the National Farmers Union, Western Growers Association, United Fresh and American Farmland Trust also spoke. During his presentation and in a panel discussion following, Hurst encouraged the involvement of farmers, who are typically outnumbered by conservationists and government officials at meetings.

High-level officials attending

*Continued, page 5*

**NAWG First VP....Cont. from page 4**

Monday's meeting included Shere Abbott, associate director for environment at the White House Office of Science and Technology Policy; Harris Sherman, under secretary for natural resources and environment at USDA; and William Hohenstein, director of the climate change program office at USDA.

Much more information about the Task Force and a web rebroadcast can be viewed online at <http://www.whitehouse.gov/administration/eop/ceq/initiatives/adaptation/publicmeetings>.

**Ag Groups Urge Governors to Speak out on EPA Dust Standards**

NAWG and agricultural organizations from around the country are asking their governors to mobilize against proposals the Environmental Protection Agency (EPA) has under consideration that may impose strict standards on rural dust with dire economic consequences.

Under the Clean Air Act, EPA is required to set National Ambient Air Quality Standard (NAAQS) for coarse particulate matter (PM) every five years. In 2006, EPA set that standard at 150µg/m<sup>3</sup> based on the so-called "precautionary principle" because science at the time was inconclusive about the health effects of coarse PM, which is basically dust. EPA is currently in the process of reviewing the standard again.

On July 8, EPA released a health assessment of particulate matter, acknowledging that the science on coarse PM is so uncertain that it could not conduct a quantitative risk assessment. On the same day, the EPA released its second draft of its policy assessment including EPA staff conclusions regarding the adequacy of the current standard. That paper said that, despite the ambiguity in the evidence, the Administrator would be justified in either retaining the current standard or in revising it to be as much as twice as strict.

Agricultural groups are deeply concerned about this possibility because, if the standard is made stricter, rural coarse particulate matter - which is essentially dust kicked up by cars and trucks, moving cattle or field work - would be even more highly regulated, causing significant economic threat with basically no return.

More than 85 state and national agricultural organizations wrote the National Governor's Association to apprise its members of the situation and its possible effects to their state economies. The groups urged the governors to express their concerns to EPA.

"While the Clean Air Act does not allow EPA to consider economic consequences of any reduction in the NAAQS," they said, "we believe that a letter from you and other governors from across the United States to EPA opposing any reduction in the PM10 standard because the health evidence does not support such a reduction (especially for rural coarse PM), and any reduction would have potentially devastating impacts on state economies would help EPA in its consideration of the PM10 NAAQS."

The EPA's advisory committee is set to meet to discuss the policy assessment again on July 26 and comments on the policy proposal are due on Aug. 16.

To get more information about the particulate matter issue and to read the agriculture groups' letter, please visit [www.wheatworld.org/environmentalissues](http://www.wheatworld.org/environmentalissues).

**Comments on EPA's Proposed Pesticide General Permit Rules**

The Pesticide Policy Coalition (PPC), of which NAWG is a member, recently submitted comments on the Environmental Protection Agency's (EPA) Draft National Pollution Discharge Elimination System (NPDES) Pesticide General Permit for Point Source Discharges from the Application of Pesticides.

The proposed draft rules are a result of a 6th Circuit Court of Appeals decision which found that application of

pesticides were a point source of pollution requiring an NPDES permit. The EPA has proposed a draft Pesticide General Permit (PGP) for certain aquatic and forestry pesticide application but would not be required for terrestrial agriculture applications.

The comments point out that there continues to be potential legal liability even for terrestrial agriculture applications by pointing to EPA's own observation that "Any point source discharge of pollutants to waters of the United States not covered by this of another general permit will need coverage under an individual permit."

Because uncertainty over details of the program, the PPC noted that "We have little confidence that pesticide operators in all 50 states will have fully operational PGP coverage when the Court's stay ends... We urge EPA to seek a commitment from the Court for a further extension should it appear in early 2011 that the April 9th deadline will not be met and permittees (sic) will not have enough time to appropriately respond to the PGP requirements."

NAWG will continue to address the issue through PPC and directly to the EPA as it continues to develop.

**DeMarchi Joins NAWG Staff to Work on Research, Biotech**

Jane DeMarchi joined the NAWG staff as director of government affairs for research and technology.

The Association announced in late June that DeMarchi would fill the new position, added to the organization to allow for a greater focus on research-related policy issues, more attention to tracking wheat research work already being done and better coordination of industry efforts related to the commercialization of biotech wheat.

Prior to coming to NAWG, DeMarchi worked as the director of government affairs at the North American Millers' Association.

She comes to NAWG with deep

*Continued, page 6*

*DeMarchi.....Cont. from page 5*

experience in research policy, having served on the executive committee of the U.S. Wheat and Barley Scab Initiative and the boards of the Wheat Quality Council and the National Coalition for Food and Agricultural Research (NC-FAR) while at NAMA. During that time, she also worked closely with the National Wheat Improve-

ment Committee and NAWG to secure additional federal funding for wheat research, and she initiated a comprehensive research plan for oats.

While her primary focus will be on research and biotechnology issues, DeMarchi will also do some work related to food aid and food safety. She is an active member of the Agricultural Food Aid Coalition, which supports the use of U.S.

commodities in USDA and USAID food aid programs.

Born and raised in Ohio, she received her bachelor's degree in Asian studies from Dartmouth College in Hanover, N.H. She lives with her husband and two children in Maryland.

DeMarchi can be reached at the main NAWG number, 202-547-7800, or at [jdemarchi@wheatworld.org](mailto:jdemarchi@wheatworld.org).

## ~ Oregon WheatPAC ~

### Help Elect a Pro-Agriculture Oregon Legislature

The political Tax Credit is a no-cost way to support the Oregon WheatPAC, allowing you to direct a portion of your tax dollars in a way that YOU choose. It is a **tax credit**, not a deduction. You can give up to \$100 for joint tax filers or \$50 for individuals and **that amount will be credited back to you on tax day**.

The OWGL tracked about 300 of the nearly 4,000 proposed new laws introduced by the policymakers in the 2009 Legislative Session. As a result of our collaboration with a broad stakeholder group, we were successful in defeating a number of proposed laws that would have been devastating for agricultural producers. Electing able leaders is more important than ever and we strongly encourage you to take advantage of this opportunity to contribute.

To make your contribution to the Oregon WheatPAC, please complete the form below and mail it to the OWGL office at 115 SE 8th, Pendleton, OR 97801. Credit card contributions can be faxed to 541-276-1723.

**Amount of donation:** \$25 \_\_\_ \$50 \_\_\_ \$100 \_\_\_ Other \$ \_\_\_\_\_

Name: \_\_\_\_\_

Address \_\_\_\_\_ City/State/Zip \_\_\_\_\_

Phone \_\_\_\_\_ Email: \_\_\_\_\_

Information required by Oregon Secretary of State:

\_\_\_ Business contribution - type of Business: \_\_\_\_\_

\_\_\_ Personal contribution - Occupation: \_\_\_\_\_

**Payment Information:** *(Please make your check payable to Oregon WheatPAC)*

Check # \_\_\_\_\_ Visa \_\_\_\_\_ MasterCard \_\_\_\_\_

Card number: \_\_\_\_\_

Name on Card: \_\_\_\_\_

Signature: \_\_\_\_\_



**Thank you  
for your support!**

Oregon WheatPAC  
Tax ID #20-5086793