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KENTUCKY FARM BUREAU NEWS Volume 13 · No. 2 MARCH 2014

## contents



Cover photo by Roger Nesbitt

Kentucky Farm Bureau News is published ten times per year. Combined issues for December-January and June-July are sent to all members. The remaining eight issues go to regular members. Bulk postage rate paid at Lebanon Junction, Ky. Changes in address should be mailed to KFB Communications Division, PO Box 20700, Louisville, Ky. 40250.

All advertising accepted subject to publisher's approval. Advertisers must assume liability of content of their advertising. For rates and information call 1.800.798.2691 ith the farm bill finally enacted, Congress now should set aim on resolving the immigration reform/farm labor problem. There is a foundation to move forward. Last June the Senate passed a balanced, Farm Bureau-supported immigration reform bill that includes a fair and workable farm labor provision. The House took a piecemeal approach, passing a series of immigration reform bills at the



committee level, including an agricultural guest worker bill.

Passage of the Senate bill last year gave us some hope for a change. But we must continue to push the issue, making sure our lawmakers understand how critical this issue is to agriculture and all consumers who count on U.S.-grown food.

That's why at the American Farm Bureau's annual meeting in January, delegates reaffirmed their strong support for meaningful ag labor reforms that ensure farmers and ranchers have access to workers when they are needed. Delegates also voted to support flexibility that would allow the employment of workers by more than one farmer.

The H-2A temporary agricultural worker program that is widely used in Kentucky is broken. It artificially raises wages above the market rate, and often does not bring workers to the farm until after the need for them has passed — after the crops have already started to rot. American Farm Bureau recently reported on a Texas farmer who says he lost about \$200,000 last year because he was forced to shred squash and zucchini that he couldn't get picked. The farmer said he was short about 20 field workers from previous years.

Farm Bureau is a key part of the "Agriculture Workforce Coalition" formed by a number of farm groups to work with Congress on meaningful reforms. One of the coalition's primary goals works well for Kentucky agriculture, and that is to craft the temporary and seasonal visa program so that it is available to all agricultural sectors, including livestock and dairy producers.

Legislation introduced in Congress last year and the bipartisan support for the solutions proposed give us the best chance in years to have an agricultural labor program that really works.

> Mark Haney President Kentucky Farm Bureau

# **KFB** seeking law to curb deer problem

he huge population of deer in Kentucky is causing big problems for KFB on two fronts: (1) Farmers are seeing more and more crop damage caused by hungry deer, and (2) deer are causing a tremendous amount of vehicle accidents, costing KFB Insurance millions of dollars in claims paid.

The sight of deer has become quite

common along Kentucky's roadways, but farmers also are taking a big hit as the deer invade croplands. The problem has become so prevalent that it has become the chief topic of policy resolutions from the county Farm Bureaus.

As a result, KFB has worked with the Kentucky Division of Fish and Wildlife Resources and Kentucky League of

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Sportsmen on a piece of legislation to address the problem. House Bill 448, sponsored by House Agriculture Committee Chairman Tom McKee, establishes a process to make it easier for landowners to eradicate wildlife that are causing problems. The proposal would allow a landowner to have a designee to remove depredating wildlife. Current law restricts that to just the landowner or tenant.

House Bill 448 also enables landowners to dispose of the animal on their farm without a permit or tag, streamlines the process of removing the carcass from the farm to have it processed or donated to charity and stipulates that inedible parts (such as antlers) may not be used for any purpose.

According to the Kentucky State Police, there were 2,798 collisions with deer in 2012, causing 140 injuries, not to mention the cost for claims. Harper said those costs reached \$18.4 million in 2012 for those insured by KFB.

"We believe it's a problem for everyone." he said.

Harper emphasized that as KFB develops a strategy to combat the issue, it's important to note the organization doesn't want to do anything to harm the sport of deer or turkey hunting in the state.

"You are never going to eliminate [the problem] and we understand that, but we think it's our job to try to reduce any crop losses that our membership has," he said. "The deer are an asset to our state, but at the same time, we have to take care of Kentucky agriculture as well."

The bill has bipartisan support.

With few agriculture-related bills on the agenda, KFB's legislative team has been focused on monitoring proposals to ensure no negative repercussions for farm families. The team has been especially diligent in looking out for potentially harmful tax policies. At press time in early March, nothing had been filed to that effect.



Kentucky Farm Bureau is a voluntary organization of farm families and their allies dedicated to serving as the voice of agriculture by identifying problems, developing solutions and taking actions which will improve net farm income, achieve better economic opportunities and enhance the quality of life for all.

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Roger Nesbitt
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# comment

armers and representatives from a diverse contingent of about 30 companies and organizations recently announced the formation of the Coalition for Safe Affordable Food. The coalition is urging Congress to quickly seek a federal solution that would protect consumers from a confusing patchwork of 50 different state GMO labeling policies. The coalition is also pushing to entrust the nation's foremost food safety agency, the Food and Drug Administration, with the



appropriate authority to review the safety of new GMO technology and if necessary, the need for any labeling of foods made with GMOs.

Foods made with GMOs are safe to eat and have a number of important benefits for people and the environment. In fact, every credible U.S. and international food safety authority that has studied GMO crops has found that they are safe and that there are no health effects associated with their use. America's farmers rely on this proven technology to protect their crops from insects, weeds and drought.

For consumers, a federal solution to this issue will increase confidence in the safety of American food by reaffirming the FDA's role as our nation's foremost authority on the use and labeling of foods containing genetically modified ingredients. Put simply, FDA is looking out for consumers' safety when it comes to GMO technology.

For example, FDA would establish federal standards for companies that want to voluntarily label products to indicate the absence or presence of GMO food ingredients which will help consumers clearly understand their choices in the marketplace.

Food safety will be improved, with FDA required to conduct a safety review of all new GMO traits before they are introduced into the marketplace. FDA will be empowered to mandate the labeling of GMO food ingredients if the agency determines there is a health, safety or nutrition issue with an ingredient derived from a GMO.

GMO technology has fostered a revolution in American agriculture that has benefitted consumers in the United States and around the world. And with global population expected to grow from seven to nine billion by 2050, we will need 70 percent more food production to keep pace. A federal GMO labeling solution will provide a framework for the safe and continued use of technology that is essential to the future of our planet.

Andrew Walmsley
Director of Congressional Relations
AFBF

# **KFB Directors meet** with state officials



The KFB Directors assembled in Frankfort for their regular meeting and to meet with legislators and state officials. Here, Susie Tanner, KFB's Director of Special Programs, is addressing the group.

ess than 24 hours after being an honored guest at President Obama's State of the Union address, Governor Steve Beshear met with KFB's Board of Directors as part of their two-day meeting in Frankfort. Senate President Robert Stivers and Agriculture Commissioner James Comer also addressed the group, plus dozens of state legislators and Louisville Mayor Greg Fischer attended an evening reception held by KFB.

Governor Beshear focused most of his remarks on his Executive Budget proposal which is before the General Assembly. Noting that he included funding for a new Breathitt Veterinary Lab in Hopkinsville, he said "I did the easy part; now this needs your help" with the legislature. "Be vigilent. Go to these Senate and House members and ask for support. There's a lot of work to do."

The Breathitt Center has been a KFB

priority issue for several years.

Obviously aware that KFB is not keen on the so-called "Obamacare," Governor Beshear asked the KFB leaders to keep an open mind.

"Throw out the politics -- there's a lot of good stuff in there," he said, referencing the provisions of the new health care law. He then noted that nearly 200,000 Kentuckians had enrolled during the first two months.

Turning to agriculture, Governor Beshear said he was pleased with the current status of the state's farm economy.

"I like where we are," he said. "The market deserves the credit but we've also been smart. We are moving in the right direction."

He commended KFB for its work with the agricultural development process.

"I want to thank you for the partnership we've had over the past six years," he said. Stivers, a Republican from Clay County, directed most of his comments toward tax reform and the state budget. But he said his top priority was Senate Bill 1, which restricts the use of Executive Orders and regulations. He explained how it is possible for government to use those tools to undermine the intent of laws enacted by the legislative branch. Those situations, he said, have been particularly harmful to business.

Stivers made what several KFB Directors felt was a sound argument against the assertion by urban interests that those areas do not receive a fair share of the state budget outlays by comparison to the revenues from those areas. Stivers made several points as to the sizeable amount of urban business income that comes from rural residents. In one particular point he made, he said that 87 percent of the patients at the UK Medical Center come from outside of Fayette



KFB President Mark Haney introduces Governor Steve Beshear, who said he was pleased with the status of the state's farm economy.



Senate President Robert Stivers said his top priority was his bill to limit the use of executive orders and regulations.



KFB Public Affairs Director Jeff Harper enjoys a light moment with Agriculture Commissioner James Comer.

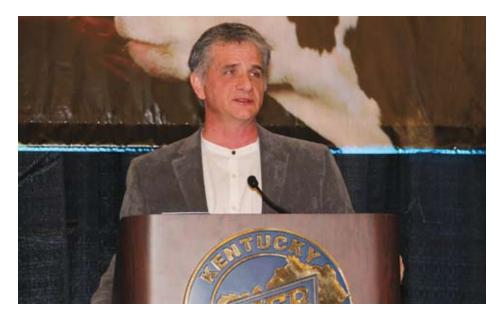
County. He also referenced the sizeable amount of trade that rural residents bring to the Louisville area, especially for special events like the State Fair.

Commissioner Comer may have surprised the KFB leaders when he confessed that he is somewhat embarrassed by all the media attention he receives from the industrial hemp issue. "You'd think that's all we do at the department," he said, grinning.

Comer said the department had been working hard to help farmers find propane during this winter's shortage and has a wide variety of programs on the move. And yet he continues to receive "national press" on the hemp issue, despite his acknowledgment that a significant development of the crop in Kentucky is probably years away, Comer said.

He also was quick to assert that he is not "pushing" legislation that would abolish the Governor's Office for Agricultural Policy and transfer the work to KDA. "We're not lobbying that, but we will make it work if it comes to be," he said.

## PRESIDENTS CONFERENCE



Keynote speaker Bruce Vincent said "activism isn't a nasty word; it's doing what you have done."

realize I'm preaching to the choir," keynote speaker Bruce Vincent said to participants at the Presidents and Vice Presidents Conference last month. Vincent is a Montana logger who has become an acclaimed motivational speaker as a result of a rugged battle with the federal government over logging rights. His passion is conservation stewardship and the importance of activism.

While the county Farm Bureau leaders are indeed ones to step up to the plate to deal with issues, it's always beneficial to remind them (as Vincent did in brilliant fashion) of the dangers of complacency, said KFB President Mark Haney.

Vincent, who has been profiled by "60 Minutes" and major publications like The New York Times and Wall Street Journal, tells a captivating story of what led him to carry the sword for promoting activism. His target is what he calls "the conflict industry," radical groups working to change the way farmers, loggers and others practice their trade. He told the large group of county Farm Bureau leaders that although he lives 90 miles from a farm, he's a Montana Farm Bureau member because "I appreciate what they do and the information they provide."

In his experience, the logging company that his father founded in 1968 was all but shut down over a dispute with the U.S. Fish and Wildlife Service about protecting grizzly bears. Vincent told the story of how he organized a group to fight the battle, but lost because of a misguided strategy stemming from inexperience.

The most bitter lesson he learned, he said, was "in this country, policy is not based on reality; it's on public perception."

Also: "There's a thin line between environmental sensibility and

environmental insanity; and we are crossing it."

Vincent said farmers need to be on guard because historically beneficial laws like the Clean Water Act, Clean Air Act and Endangered Species Act have gradually been altered over the years by the various administrations in Washington. These old laws and programs are subject to adjustments that could further undermine the original intent of the law, he warned.

And then there are the special interest groups with agendas detrimental to agriculture. Said Vincent: "The conflict industry that was working on forests is looking for a new piñata. Forestry was first. Agriculture could be next."

Farmers, he added, have a golden opportunity to move forward in the "public perception" category because of the urban interest in where food comes from and how it is produced.

"Urban people love rural areas; they have a desire to protect what they perceive as the last best places. They are passionate about environmental protection. Problem is the public doesn't know you. They are looking at the stuff that others put before them and they don't know what to choose as the real story.

"You have the best story in the world to tell about what you do. Look at how far you've come. You are the green choice. You have to tell that story."

A big plus, he said, is that "the next generation is starving for a future that includes some humanity; they're not into the conflict industry. They want to have a connection to us."

Vincent concluded by urging the county leaders to stay the course because "we've got some uphill climbing to do for rural America."



KFB Organization Division Director Matthew W. Ingram gave a presentation to the large crowd of county leaders.



KFB President Mark Haney and KFB Insurance Company Executive Vice President Brad Smith fielded questions about the county insurance services program.

## Among other highlights of the two-day conference:

• Successful local programs were highlighted and discussed, including a member services program in Russell County, an ag education program in Greenup County and the expansion of advertising, member services and scholarships in Christian County.

• Organization Division Director Matthew W. Ingram conducted a session on fiscal reporting and recordkeeping.

• Estate Planning Specialist Rob Pittman outlined the KFB program.



KFB's lobbying team of (from left) Tony Sholar, Paula Smith, Jeff Harper and Bryan Alvey gave an overview of the legislative session.

• KFB's lobbying team provided an update on the state legislative session and Commodity Division Director L. Joe Cain summarized the new farm bill.

• Brandon Smith of USDA spoke about the crop insurance program and other risk management tools.

In his remarks to the county leaders, President Mark Haney said the event "has a great atmosphere" because of the local leaders who "represent an organization that is so dear to all of us."

The Pulaski County farmer noted that 2013 "was a banner year" for KFB.

"We have much to be thankful for," he said. "I think the success of the Federation lies with the county presidents. They are the ones who deliver what we need at the state level to succeed."

# A new farm bill...

etting Congress to agree on farm policy for the next five years was a long and difficult process that finally concluded in early February. The socalled Agricultural Act of 2014 is 949 pages long and provides authorization for services and programs that impact every American plus millions of people around the world.

USDA describes the bill as follows: "The new Farm Bill builds on historic economic gains in rural America over the past five years, while achieving meaningful reform and billions of dollars in savings for the taxpayer."

"The new Farm Bill will allow USDA to continue record accomplishments on behalf of the American people, while providing new opportunity and creating jobs across rural America. It will enable USDA to further expand markets for agricultural products at home and abroad, strengthen conservation efforts, create new opportunities for local and regional food systems and grow the biobased economy. It will provide a dependable safety net for America's farmers, ranchers and growers. It will maintain important agricultural research, and ensure access to safe and nutritious food for all Americans."

Following is a summary:

#### **Commodity Programs**

• Direct payments are repealed for all crops except cotton.

• Programs authorized for the 2014-2018 crop years and through December 31, 2018 for dairy.

• A crop farm has a one-time, irrevocable opportunity to elect either Price Loss Coverage (PLC) or county Agricultural Risk Coverage (ARC) on a crop by crop basis. The producer may also elect individual farm ARC, but this election applies to the entire farm. If no choice is made, the farm defaults to PLC. All producers on a farm must make the same election or face potential loss of payments for the 2014 crop.

• PLC payments occur if U.S. average market price for the crop year is less than the crop's reference price. Reference prices include \$5.50 for wheat, \$3.70 for corn, \$14 for soybeans and \$3.95 for grain sorghum.

• County ARC payments occur when actual crop revenue is below the ARC revenue guarantee for a crop year. County ARC guarantee is 86% of county ARC benchmark revenue. Coverage is capped at 10%, meaning coverage is between 76% and 86% of the county ARC benchmark revenue. County ARC benchmark revenue is based on the Olympic average (removes high and low values) of county yields and U.S. crop year average prices for the 5 preceding crop years.

• Individual farm ARC is a whole farm, not individual crop, program. In essence, it is based on the average covered commodity experience on the farm.

• For both PLC and county ARC, payment acres for a crop are 85% of the farm's base acres for the crop plus any generic base acres (former cotton base acres) planted to the crop. Individual ARC payments acres are 65% of the sum of the farm's total base acres and any generic base acres planted to covered crops on the farm.

• Total base acres on a farm are the same as current base acres. However a farm can elect to reallocate base acres among the farm's covered crops according to each covered crop's share of the farm's total acres planted to covered crops over the 2009-2012 crop years.

• The Secretary of Agriculture is to develop procedures for identifying and eliminating base acres on land that has been subdivided and developed for multiple residential units or non-farming uses and is unlikely to return to agriculture uses.

• PLC payment yields can be updated to 90% of the farm's average planted yield over the 2008-2012 crop years.

• The 2008 Farm Bill's nonrecourse marketing loan and loan deficiency payment program and associated loan rates are extended, except for modifications to the loan rate for cotton, which now can range between 45 and 52 cents per pound.

• The Dairy Product Support and MILC programs are replaced with a Dairy Production Margin Protection Program based on the difference between the price of milk and feed cost of producing milk. A producer elects a coverage level between \$4 and \$8 per cwt. No premium is paid for the \$4 coverage level; premiums are paid for higher coverage levels. Premium schedules are specified for production of 4 million or fewer pounds and for production greater than 4 million pounds. No supply control provision is included.

• A Supplemental Agriculture Disaster Assistance program is funded permanently. It includes a Livestock Indemnity Program for livestock losses from adverse weather or attacks by federally reintroduced animals; a Livestock Forage Program for



Price Loss Payment coverage takes effect if average market price for crop year is less than the reference price, which is \$3.70 for corn.

losses resulting from drought or fire; a program of emergency relief to producers of livestock, honey bees, and farm raised fish not covered by the two previous programs; and a Tree Assistance Program for natural disasters.

• The so-called permanent laws of 1938 and 1949 are not repealed.

• Payments indirectly or directly received by a person or legal entity under Title I are limited to \$125,000. Limit for a person and spouse is \$250,000. A separate payment limit for peanuts is retained. The only Title 1 crop program not included in this single payment limit is the benefit derived from forfeiting nonrecourse loans.

• USDA is to write new regulations defining "active engagement in farming."

• The two (farm and nonfarm income) adjusted gross income (AGI) limitation tests are replaced with a single \$900,000 AGI limitation for certain commodity as well as conservation programs.

#### **Crop Insurance**

• Supplemental Coverage Option (SCO) provides farms the option to purchase county level insurance that covers part of the deductible under their individual yield and revenue loss policy. Coverage level cannot exceed the difference between 86% and the coverage level in the individual policy.

• Subsidy rate is 65%. SCO is not available if enrolled in ARC. A slightly different Stacked Income Protection Plan (STAX) is offered for cotton. Implementation begins the 2015 crop year.

• The higher subsidy levels

for enterprise insurance are made permanent.

• A new revenue-minus-cost margin crop insurance contract is authorized.

• Several provisions encourage data sharing, with a focus on U.S. Department of Agriculture agencies. One objective is to increase availability of countybased insurance products.

• Insurance plug yields are increased from 60% to 70%. A producer may exclude a yield for a crop year in which the county planted acre yield was at least 50% below the average county yield over the previous 10 consecutive crop years.

• Budget limitations are placed on renegotiations of the Standard Reinsurance Agreement, including budget neutrality with regard to the crop insurance programs.



There are new wetlands rules.



There is continued funding for renewable energy programs.

• Insurance benefits are reduced if a farm tills native sod for production of an annual crop.

• Insurance coverage is to be offered by dryland and irrigated acres of a crop.

• Beginning farmers and rancher are eligible for a higher subsidy rate on insurance.

• Proposal to reduce the level of insurance subsidies for high income individuals was deleted.

• The Risk Management Agency is given a clear mandate to focus on developing insurance products for underserved commodities. Immediate priorities are revenue insurance for peanuts, margin insurance for rice, and a specialized irrigated policy for grain sorghum. Studies are authorized of insurance for

> swine and poultry catastrophic disease, poultry business interruption; and food safety. Insurance for organic crops is to offer price elections that reflect the retail or wholesale price, as appropriate. Index-based weather insurance pilot programs are a priority.

### **Conservation and Energy**

• New wetland and soil conservation rules (known as "conservation compliance") will apply to any farmer who receives crop insurance premium subsidies.

• Cuts Conservation Title funding by roughly \$4 billion over ten years. Accounting for upcoming automatic budget cuts knows as "sequestration," this number grows to \$6.1 billion. This is the first time a farm bill decreases funding for conservation since conservation funding first became a farm bill issue in 1985.

• As expected, the Wetlands Reserve Program, Grassland Reserve Program, and Farm and Ranch

Land Protection Program are consolidated under a single umbrella to be called the Agricultural Conservation Easement Program and, more importantly, are provided with permanent funding. Similarly, the Cooperative Conservation Partnership Initiative, Chesapeake Bay Watershed Initiative, and Agriculture Water Enhancement Program are consolidated into the Regional Conservation Partnership Initiative to continue investments in targeted conservation projects in specific localities and regions.

• Limitsenrollmentin the Conservation Stewardship Program (CSP) to 10 million new acres per year, a cut of 2.8 million acres, or 22 percent, per year. This cut will reduce conservation acreage by 28 million acres over the coming decade. The bill cuts funding for the Environmental Quality Incentives Program (EQIP) just slightly, but increases the program's payment limitation by 150 percent to \$450,000.

• Provides \$879 million in new money for renewable energy programs, including \$435 million and permanent funding for the Rural Energy for America Program (REAP). Prohibits USDA from using REAP to fund blender pumps at gas stations.

#### Local Food Systems

• Local and regional food systems and healthy food access received a large boost, with increased funding for several programs and creation of some new programs. The bill triples funding to \$30 million per year for the Farmers Market and Local Food Promotion Program, and expands the program to allow grants to both direct-to-consumer projects and projects supporting local and regional food enterprises through processing, aggregation, distribution, storage, and marketing.

• Nearly doubles funding for Community Food Projects, and creates a new Food Insecurity Nutrition Incentive grant program for organizations administering farmers markets and grocery store programs that encourage increased fruit and vegetables consumption by SNAP (food stamp) recipients.

• Several provisions ease the purchase of fresh and local produce for SNAP recipients by allowing them to use their benefits to participate in Community Supported Agriculture (CSAs) ventures, and by providing farmers markets and other direct-to-consumer marketing outlets with equipment that can accept SNAP benefits. Also, pilot projects for improving online and wireless technologies used in purchases made with EBT.

• Authorizes a scaled-back farm to school pilot program. The program is an eight-state pilot to provide fresh fruits and vegetables to schools and allow a geographic preference in procurement.

• Directs USDA to develop and implement a new nationwide Whole Farm Diversified Risk Management Insurance product to provide revenue insurance for highly diversified farms of all kinds, including specialty crop farms, integrated grain-livestock farms,



The new farm bill has more than ever for fruit producers.

organic farms, and farms geared to local markets.

## **Beginning Farmers**

• Reauthorizes the Beginning Farmer and Rancher Development Program and provides \$100 million for new farmer training programs, including a new focus on military veterans.

• A new Microloan program allows USDA to work with third party intermediary lenders to provide microloans and financial training to beginning farmers.

## **Organic Agriculture**

• The National Organic Certification Cost-Share Program is now funded at \$11.5 million annually, up from just over \$5 million annually, to offset the costs of annual certification for organic farmers and handlers. The bill renews funding for the Organic Agriculture Research and Extension Initiative at the previous \$20 million per year level, and for the Organic Production and Market Data Initiatives at \$5 million over five years, the same as in the previous farm bill. The National Organic Program also receives \$5 million for technology upgrades.

• Improves crop insurance for organic producers by requiring USDA to publish the complete set of organic price elections by 2015. Also includes a provision to exempt organic producers from having to pay into conventional checkoffs, and to allow the organic sector as a whole to establish a checkoff program if so desired.

## Research, Education, and Extension

• Infusion of \$600 million in mandatory research dollars to support specialty crops, organic agriculture and beginning farmers.

• Establishes a new Foundation for Food and Agriculture Research, designed to supplement USDA's basic and applied research by fostering public-private partnerships. Provides \$200 million of seed money.

## **Rural Development**

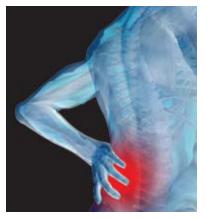
• The Value-Added Producer Grant program will receive approximately \$12. 5 million annually.

• The Rural Microentrepreneur Assistance Program will have \$3 million a year to provide training, technical assistance, and microloans to very small rural businesses.

## Which type of pain hurts you the most?



Tooth Pain



**Back Pain** 



Propane

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# **Battle plan(ning)**

**KFB** seminar helps candidates prepare for campaigns



**"Generalized States of Section**" That phrase was repeated over and over to participants in KFB's Campaign Management Seminar last month. Cody Lyons, who is Director of Grassroots and Policy Advocacy for AFBF, repeated it four times early in the program to underscore the importance of communicating to the electorate. "You will be sick of hearing that by the time this is though," said Lyons, who conducted the two-day program.

The popular event attracted 32 candidates or spouses of candidates in political races that included state representative, county judge-executive, magistrate, district court judge, jailer, county clerk and family court judge.

Lyons, who ran the event with the intensity of a military drill instructor, said early on: "You don't run for the exercise; you run to win."

The program encompassed six areas crucial to good campaigns:

• **The Candidate.** This involves evaluating the candidate and the electorate, plus determining the role of the spouse.

• **The Issues.** This involves selecting a campaign theme and issues, plus handling aggressive interviews.

• **The Money.** This involves budget preparation, raising money, using a finance committee and making the required public reports.

AFBF's Cody Lyons conducted the program that attracted 32 candidates for a variety of offices.

• The Media. This involves handling interviews.

• **The Organization.** This involves a campaign structure, role of the campaign manager, support committees, promotions, volunteer recruitment and coordination, developing allies and coalitions and working with the news media.

• **The Strategy.** This involves identifying voters, targeting precincts and special interest groups, using polls plus election day activities.

Associated activities included mock television interviews in front of a KFB camera. The interviews were played back for group review.

Another helpful aspect was watching a video series that showed how "Lawrence Turner," a dairy farmer in a rural county who was running for the state senate, was transformed from a poor to an excellent candidate. The first segment showed the candidate boring the audience during a speech to a civic group. But after Turner was trained, he became dynamic and inspiring.

Lyons told the group "every candidate should get an evaluation of themselves. Evaluations help you maximize areas where you are strong, but also identify your weaknesses."

Among the advice he offered was a warning about having the spouse as campaign manager.

"That's a good way to wreck a marriage," he said matter-of-factly.

# Food Check-Out Day

**KFB**and some county Farm "Food Check-Out" promotion to remind consumers of how they benefit from the work of farmers.

"Food Check-Out Day" was initiated 18 years ago to put a spotlight on the low cost of food in the United States. KFB uses the occasion to also show appreciation to state lawmakers for their continuing support of our agriculture industry. KFB staff distributed gift baskets of Kentucky products to legislators and other state officials. KFB Women's Committee Chairperson Betty Farris of Butler County greeted the legislators and explained the purpose of the event.

Meanwhile, dozens of County Farm Bureaus conducted activities such as distributing information at supermarkets and through local media.



KFB Women's Committee Chairperson Betty Farris assembles "Food Check-Out Day" baskets along with KFB's Scott Christmas (left) and L. Joe Cain.



# Study shows impact of Ag labor shortage



## Herbal Formula Eases Farmer's Aches & Pains

"I keep a jar of Steuart's Pain Formula by my bed and reach for it at night when my knee pain flares up. It knocks the pain right out," says Mike Marsden of Mabel, Minn. Marsden's been using Steuart's Pain Formula for about 4 years and says he's constantly recommending it to other people.

Steuart Laboratories originally developed Steuart's Pain Formula for race horses. Over the years, it has gained a following for treating other animals and humans. The cream contains extract of the herbs comfrey and arnica in a liposome base that penetrates the skin rapidly, says Gary Steuart, who founded the company in 1982. "People now use the product to relieve joint and muscle pain associated with arthritis and injuries," Steuart says.

Rose Johnson of Hazleton, Iowa, uses Steuart's Pain Formula to relieve the tissue pain caused by fibromyalgia, a disorder characterized by widespread pain and tenderness in joints, muscles, tendons, and other soft tissues. In addition to pain relief from Steuart's Pain Formula, she appreciates that the product causes no side effects.

Joel Sloan of Mabel was familiar with Steuart's Pain Formula because he used it regularly for treating dairy cows with mastitis. "It really helped the cows because it causes a heat action and gets the blood flowing in the udder," he says.

When Sloan was recovering from hernia surgery several years ago, his bowel and urinary function slowed down. "I rubbed some on my abdomen and in 20 min., I could feel the product working and my bowel and urinary function were restored. The pain was gone."

Mike Marsden uses Steuart's Pain Formula whenever his knee pain flares up.

Warren Ward of Pemberton, Minn., says his knees ached so terrible at night that he couldn't get to sleep without taking painkillers. "An orthopedic surgeon told me both my knees were shot, I had bone rubbing on bone, and I needed knee-replacement surgery. Then someone told me about Steuart's Pain Formula. I started using it and in three days I had no pain in my knees, I went right to sleep at night, and I haven't taken a pain killer since.

Steuart

"I like Steuart's product because there's no odor, it doesn't stain your clothes, and you don't feel a thing when you apply it. It's an excellent product and I know it works," Ward says.

Steuart's first product – an udder ointment containing comfrey – was introduced in 1982. Today, the company manufactures and markets more than a dozen herbal and natural-oil healing and pain products for both human and animal use.

Contact: Gary Steuart, Steuart Laboratories, P.O. Box 306, Mabel, Minn. 55954 (ph 507 493-5585; 877-210-9664; www.steuartlaboratories.com). 2 oz. Pain Formula: \$14.99 5 oz. Pain Formula: \$14.99 5 oz. Pain Formula: \$29.90 Shipping or Mailing: \$8/order n approach to agricultural labor reform that focuses solely on immigration enforcement would raise food prices over five years by an additional five percent to six percent and would cut the nation's food and fiber production by as much as a staggering \$60 billion.

Those are among the results of a report, "Gauging the Farm Sector's Sensitivity to Immigration Reform," conducted by World Agricultural Economic and Environmental Services. The report was commissioned by AFBF and released in conjunction with a campaign sponsored by AFBF and the Partnership for a New American Economy to promote the need for agricultural immigration reform.

By far, the best scenario for farm labor reform both for consumers and farmers is one that includes immigration enforcement, a redesigned guest worker program and the opportunity for skilled laborers currently working in agriculture to earn an adjustment of status. Under that scenario, there would be little to no effect on food prices, and the impact on farm income would be less than one percent.

Today, U.S. agriculture depends heavily on falsely documented or undocumented workers and regardless of the reform scenario studied, it is clear that a legal workforce comes at a price.

"Status quo is not a viable option for anyone involved in this issue, and as a nation, we expect better," said AFBF President Bob Stallman. "Farmers and ranchers recognize there are costs to ensuring they have a legal, stable workforce. And we are willing to step up to the plate."

The hardest-hit domestic food sectors under an enforcement-only scenario are fruit production, which would plummet by 30-61 percent, and vegetable production, which would decline by 15-31 percent. The study also pointed out that while many consider fruit and vegetable production the most labor-reliant sector, livestock production in the U.S. would fall by 13-27 percent.

The study compared changes in farm output, commodity prices, farm income, farm asset values, and food prices across four generic reform alternatives. The study is posted at: http://www.fb.org/ newsroom/nr/nr2014/02-10-14/laborstudy14c0207.pdf.



KENTUCKY FARM BUREAU NEWS

## Kentucky Proud brand will promote Appalachia



Agriculture Commissioner James Comer makes the announcement in Knott County along with State Senator Robin Webb and U.S. Senators Rand Paul and Mitch McConnell.

griculture Commissioner James Comer joined with U.S. Senators Mitch McConnell and Rand Paul and State Senator Robin Webb of Carter County to announce a new



Kentucky Proud brand designed to revitalize the Eastern Kentucky economy through agriculture. The report and recommendations were issued to a standing-room-only crowd at the Knott County Sportsplex that included leaders from KFB and other agriculture groups.

"Appalachia Proud: Mountains of Potential" is a trademarked brand that designates Kentucky Proud products made by producers in 37 Eastern Kentuckian counties. The program includes a set of specific, measurable recommendations for using agriculture to spur economic development and educational achievement in the region. At the event, Commissioner Comer issued a report containing the recommendations and a summary of agricultural activity in each of the 37 counties.

The recommendations include:

**I.** Telling the story — Executing a creative and comprehensive marketing strategy to battle inaccurate stereotypes, highlight success stories in the region, and grow the agricultural economy;

**II.** Setting the stage — Supporting the Economic Freedom Zones Act of 2013, sponsored by Senators McConnell and Paul, which would revitalize struggling economies in Eastern Kentucky and elsewhere across the United States by lowering taxes, enhancing education, reducing regulatory burdens, and encouraging charitable giving;

**III.** Starting early — Helping colleges and universities develop niche products that can succeed in Eastern Kentucky; activating FFA chapters in every school district in the region; creating a new mobile science activity center dedicated to Appalachia; and launching industrial hemp pilot projects at Eastern Kentucky University as well as Kentucky State University, the University of Louisville, Murray State University and the University of Kentucky;

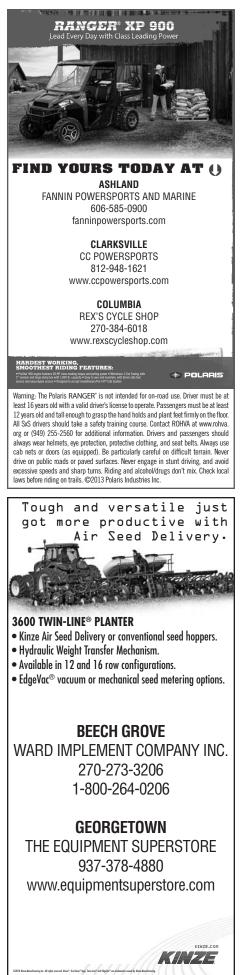
**IV.** Selling the product — Creating an Appalachian Wildlife Center, recruiting colleges and universities to join the Kentucky Proud Farm to Campus Program, and encouraging Eastern Kentucky schools to join the Kentucky Proud Farm to School Program; and

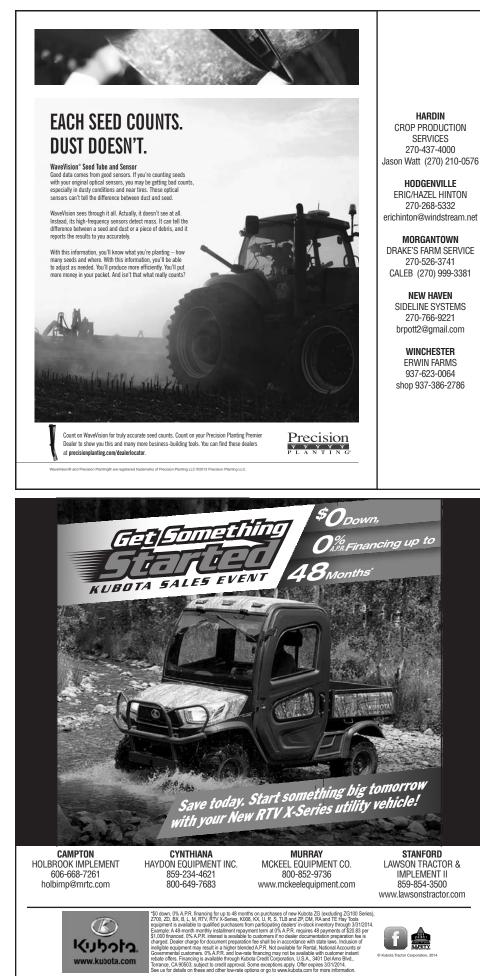
**V.** Investing in success — Seeking legislation to return 100 percent of coal severance tax dollars to coal-producing counties, and dedicating 15 percent of those funds to agricultural development.

KFB Executive Vice President David S. Beck praised the project.

"It's a combination of good ideas and private investments and partnerships that should enhance opportunities for agriculture in that region," he said.







## markets

#### By Ed McQueen

## More sheep, lambs and goats on Kentucky farms

The January 1, 2014, inventories of sheep, lambs and goats on Kentucky farms were all higher than estimated a year ago, according to USDA. The total number of sheep in Kentucky was estimated at 49,000 head, an increase of 6,000 from 2013. All breeding sheep and lambs increased 14 percent to an estimated 40,000 head, consisting of 31,000 breeding ewes, 2,000 breeding rams and 7,000 replacement lambs. All market sheep and lambs were estimated at 9,000 head, up 1,000 head from a year earlier. Last year's lamb crop totaled 41,000 head, up 9,000 from 2012.

All meat and other goats in Kentucky were estimated at 72,000 head, up 3,000 head from January 2013. Milk goats at 4,500 head, were down 1,500 head from the previous year's estimate.

#### Beef exports to drop in 2014

Due to declining beef production, U.S. beef exports are forecast to fall in 2014 to 2.335 billion pounds, a drop of ten percent from 2013's 2.583 billion pounds. Beef exports increased five percent in 2013 due to strong demand from Asia, including Japan (+49%) and Hong Kong (+71%). Exports to Japan reached the highest level since 2003 when the U.S. had its first BSE case. In February 2013, Japan relaxed import restrictions to allow for beef from cattle aged 30 months or younger. Despite growing demand for U.S. beef, exports will be hindered by an expected fivepercent decline in beef production to 24.35 billion pounds, the lowest level since 1994

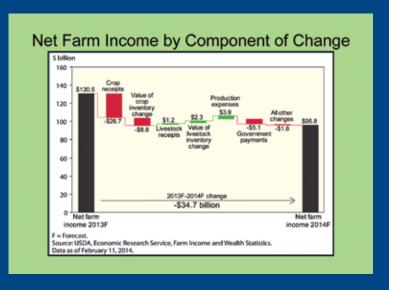
#### **Rising egg production may lower prices**

Table egg production in the U.S. is expected to increase 1.6 percent in 2014, reaching 6.97 billion dozen (255 eggs per capita). The growth is expected to come from increases in the number of hens in the flock and in the rate of eggs produced per bird. Egg production in 2014 will be sensitive to changes in feed costs, but relatively strong prices are expected to encourage production. In 2013, the number of birds averaged 1.5 percent above the 2012 level. The number of table eggs produced rose to 6.9 billion dozen, up two percent from the previous year. Higher egg production will pressure prices. However, the export market for eggs and egg products continues to be strong, and eggs are expected to remain relatively inexpensive compared with most protein products. Prices in 2014 are expected by USDA to average \$1.14-1.22 per dozen (New York), compared to \$1.25 for 2013.

### U.S. soybean exports are record high

U.S. soybean exports for 2013/14 are forecast by USDA at a recordhigh 1.51 billion bushels. USDA reported that as of January 30, cumulative soybean export inspections totaled an all-time high 1.16 billion bushels after the three previous months had record-high shipments. In addition, the outstanding export sales (unshipped) remain very large. The seasonal decline in U.S. export shipments has been slow to develop and therefore cash soybean prices have been supported through February. However, USDA cautioned that the movement of soybean export activity to Brazil could be "sudden and steep" and result in a "sharp break" in the U.S. Gulf price for soybeans. Updated South American production estimates will continue to influence prices. USDA's February average farm price estimate for 2013/14 ranged from \$11.75 to \$13.25.









## farm file

## Scholarships are available

The application period is open for special college scholarships administered through KFB's Education Foundation

These scholarships include; the \$3,000 Paul D. Everman Scholarship to a non-traditional adult student and KFB member for undergraduate studies as an accredited Kentucky college or university, the \$1,000 Louis F. Ison Scholarship to a fulltime graduate student at the UK College of Agriculture, Food and Environment; a \$2,000 and \$1,000 Young Farmer Scholarship to current college or vocational/technical school students.

Application deadline for the three programs is April 25.

For more information go to **www.kyfb.com** or contact Susie Tanner at **(502)** 495-5000, ext. 7240.

## Farmland protection conference announced

American Farmland Trust (AFT) announced the Farmland, Food and Livable Communities Conference will be held in Lexington October 20-22. The event will bring together leading experts from around the country for the first nationwide conference focused on farming, land use and food policy. It will showcase and encourage best practices and inspire efforts to protect farmland and the environment, support the next generation of farmers and women in agriculture, encourage job creation and create new opportunities in local and regional food systems.

"This is the first time a national conference will bring together these diverse interests to comprehensively address the 21st century challenges of agriculture," said Andrew McElwaine, President and CEO of AFT.

AFT Board member Libby Jones and her husband, former Governor Brereton Jones, were instrumental in recruiting the event for Kentucky. Agriculture Commissioner James Comer joined them at the news conference to announce the event.

"AFT began its relationship with state government in Kentucky during the Jones administration. They provided excellent technical assistance and valuable support, which led to the establishment of several public and private farmland protection entities. Since then, these groups have permanently protected more than 70,000 acres across the Commonwealth," said Mrs. Jones. "We are very excited the Trust is returning to Kentucky to lead this important Conference where we can all share our experiences, learn from each other, and be able to make even greater progress in the future."

The Conference programs will address four principal themes. (1) Ensuring high quality farmland is available and affordable for agriculture; (2) Supporting agricultural viability and a fair and just food system; (3) Creating opportunities for the next generation of farmers; and (4) Emerging issues for Women in Agriculture.

## Tax credits available for food bank donations

State income taxpayers can donate a portion of their refund to the Farms to Food Banks Trust Fund administered by the Kentucky Department of Agriculture. The fund is intended to provide grants to nonprofit organizations for the distribution of Kentucky-grown surplus agricultural commodities to low-income individuals.

One such nonprofit is the Kentucky Association of Food Banks. Its Farms to Food Banks program helps low-income Kentuckians get the fresh foods they need for themselves and their families while creating a new market for Kentucky farm products. Since 2011, the program has distributed enough Kentucky-grown produce to fill half a plate full of fruits and vegetables for 4.8 million meals across the Commonwealth. At the same time, the program has created an average of \$950 in new income for more than 500 Kentucky farmers.

"Just check the box on line 37 of your tax return to donate a portion of your refund to the Farms to Food Banks Trust Fund," said Tamara Sandberg, executive director of the Kentucky Association of Food Banks. "Every \$1.00 donated can help provide enough fruits and vegetables for 5 meals. It's that easy to help ensure that our most vulnerable neighbors have enough healthy food to eat each day."

Also, farmers who donate fruits, vegetables, beef, poultry, pork or fish to a food bank will be eligible to receive a credit against their state tax liability equal to 10 percent of the value of the donated product. Donors will determine the value of the donation by retaining a copy of an invoice identifying the price received for products of comparable grade and quality. If there is no previous sale, the donor is to determine the value of the donated product based on average weekly regional produce auction prices or United States Department of Agriculture prices for meat, fish and dairy products.

A tax credit not used by a qualified taxpayer in the current taxable year may be carried forward for up to four years.

For more information, go to **www. kafb.org**.











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