Minnesota Crop Production Retailers



Inputs

Capitol Update

House Mini-Session/Governor's Nonsession - The 2014 session is not scheduled to begin until Feb. 25; but legislators will be in St. Paul a month earlier. Pre-filing of bills for introduction during the session was scheduled to occur Jan. 13, and according to an email from House leadership to members and staff, the week of Jan. 27-30 has been designated for committees to meet. The reserved week is intended to enable committees to begin work early and maximize time during the legislative session. Legislators must constitutionally complete this year's work by May 19, 2014. If Gov. Mark Dayton's statements will influence the process, this year's legislative session will focus on streamlining government by eliminating wasteful, redundant or antiquated laws. Dayton has already dubbed 2014 the "unsession," because he wants legislators to spend much of their time eliminating old laws rather than adding new ones. Dayton claims to be hoping for improvements to make your interaction with state government more efficient and satisfying. The Governor has directed state agency heads and legislative staff to start preparing lists of laws and regulations that could come off the books that will improve process, saving staff time and money. Governor Dayton has been collecting suggestions through a website from the public on what to eliminate, as well as ideas for making government better, faster, and simpler. If MCPR members want to provide input send Dayton your ideas at *gov.ideas@state.mn.us*.

Governor Dayton's Democratic Lt. Gov. Yvonne Prettner Solon recently said she would not seek a second term alongside Gov. Mark Dayton next fall, ending a 25-year career in politics. Prettner Solon highlighted her work on initiatives for senior citizens and people with disabilities during her time as lieutenant governor. She added, however, that she thought the office would be more hands-on when she left the state Senate and agreed to join Dayton on the ballot in 2010. The two have had disagreements about policy initiatives during his first term. Prettner Solon, who led a panel on Capitol safety, favored tougher gun restrictions than Dayton. Prettner Solon's support was critical in helping the Democratic governor win votes in northern Minnesota in his first campaign for governor. She said it's up to Dayton to pick her replacement on the ballot. Prettner Solon's announcement wasn't a surprise. Prettner Solon last year said that she and the governor have a distant relationship and she wasn't sure if she would seek another term.

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Executive Director's Report

Hello MCPR Members,

MCPR members attending the MCPR Annual meeting held during the CPM Short Course and Trade Show elected several new Board members. New to the Board is Rick Walker, West Central Ag Service serving the MCPR District 5 (Northwest Minnesota), Bryan Strickler, Bayer CropScience LP serving in one of the Crop Protection Board seats, and Perry Estabo, CHS Inc., Redwood Falls serving in the Plant Food Board seat. All of us should gratefully honor several Board members stepping down at the end of 2013. I know all MCPR members sincerely thank Justin Spivey, Tom Dolan, and Craig La Plante for their service as MCPR Board members. I want to personally also thank Terry Schmidt and Gary Getchman who were candidates who not did not get elected. Be sure to greet these wonderful MCPR members and thank them for their sacrifices on your behalf. The annual meeting attendees also let stand the previously announced change in the Board retailer district boundaries from six to four districts and two at-large retailer Board members effective for the candidate elections in 2014.

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This is a political decision that will have an impact on the politics for the balance of 2014. Republicans have cited the Lt. Governor's step down from the gubernatorial ticket as evidence of the Governor's neglect of rural Minnesota. MCPR members may recall that Governor Tim Pawlenty appointed his Lt. Governor to also serve as MN Transportation Commissioner.

The Senate has not been as aggressive as the House members who have already filed 280 more bills to consider during interim hearings and when they reconvene for the 2014 legislative session. Typically the second legislative session of the biennium is a none budget year, but a projected budget surplus this year will generate debate about how to spend it. Issues of concern to MCPR members include a continuation of a number issues which were covered in interim hearings held since the last session on such topics as nitrogen in groundwater, licensing for farmers doing on-farm drainage, and agriculture's impact on bees. There will be a hearing on weed resistance and Roundup Ready crops in January. The House Environment and Agriculture Finance Committee Chair is Representative Jean Wagenius, Minneapolis. Rep Wagenius has a distinctive background as a former environmental attorney who seems very interested in agriculture's impact on the environment. MCPR members are aware that the makeup of the legislature has changed in recent years...agriculture and rural interests have fewer legislators as the population shifts to urban centers. Agricultural lobbyists are meeting to compare strategies and unite around common concerns and attacks expected on agriculture. Should be an interesting session.

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Finally, please greet Arnie Sinclair, Chair of the MCPR 2013 Nominating Committee and Craig Maurer who served on the Nominating Committee for their service both to recommend a wonderful slate of candidates but also to recommend a welcome change in the District Boundaries for the Retailer Board seats. Allowing for two at-large Board seats ensures that the geographic nature of our Board is preserved but also allows for some flexibility so that talented members who might not be nominated because of the location of their facility and can instead be selected from anywhere in the state.

The Minnesota agencies have utilized the MN Pollution Control Agency's report on the nitrates and phosphorous polluting Minnesota's surface waters, and now have created specific a draft of specific recommendations which are being promoted as the appropriate numeric nutrient criteria for Minnesota's surface waters. Minnesota agencies have named the percentages of nutrient reduction and the date these reductions need to be achieved. However, no one has very conclusive data on what can/should be done, or what specific practices should be implemented, and what the actual reduction of nutrients, if any, would be achieved by any specific change in farming practices. Into this vague but threatening environment MCPR is wading into the debate by considering along with many other Minnesota Agriculture associations our own recommendations on what the next steps are and what can be economically and environmentally sensible solutions to these public policy debates.

But have no doubt about this – if agriculture does not "step up to the plate" in a timely fashion on this very critical public policy contest, the rules and limitations on nutrients which can be applied to fields will be onerous, if not impossible to achieve. That's why you belong to MCPR...we are engaging in the contest shoulder-to-shoulder with our partners in agriculture to ensure your voice is being heard. Don't worry, MCPR's lobbying is up to the task...but we need you to engage in this contest by getting well informed on the suggestions and consequences of these issues.

Stay tuned, MCPR members...it is going to get interesting.

Until Next time,

Bù Bal

Bill Bond

NEW MCPR Member Service - Ag Equipment For Sale Ads

MCPR will be offering this new service to MCPR members. This is a trial basis for one year - after that time continuation of this service will be determined based on use. Ads are \$25.00 per listing. Ads will be posted to the MCPR website for 60-days. Please notify Jessi at (763) 235-6473 or <code>jessi@mcpr-cca.org</code> if the equipment sells before this time so the ad can be removed. You must be an MCPR member to post an ad. Payment is due BEFORE the ad will be posted.

To utilize this service, please complete the form found on the MCPR website (under the *Ag Equipment for Sale* tab) and mail, fax or email (*jessi@mcpr-cca.org*) with payment.

News Notes

China Rejects GMO Corn

"China's quality watchdog has turned away more corn cargoes from the United States due to the discovery of a genetically-modified strain not approved by Beijing and further rejections are likely, traders said. They said that a recent report by the official Xinhua news agency that China had rejected 601,000 tonnes of corn and corn by-products from the U.S. by the end of last year suggested that more corn cargoes had been turned away since Dec. 20, when 545,000 tonnes of the grain had been refused by the General Administration of Quality Supervision, Inspection and Quarantine (AQSIQ)... The U.S. price of DDGs has slid 20 percent in a week as exporters shy away from selling the corn-based feed grain to its top customers in China after Beijing rejected shipments containing the strain. (Fluence Media)

California Group Pushes for New Vote on GMO Labels

Despite a statewide vote in 2012 that rejected a proposal to require food to be labeled if it contained genetically modified ingredients, the issue is being brought up again in Napa County, California. The Napa County Local Food Advisory Council is developing a recommendation to send to the Board of Supervisors that would support labeling foods with GMO ingredients, according to Agricultural Commissioner Greg Clark. Currently, the recommendation is in draft form and is expected to bring the recommendation to the full council at its meeting in January 2014. The proposal is expected to urge state and federal agencies to support labeling. If the recommendation passes the council, it will move onto the Napa County Board of Supervisors. (Ag Pro)

GMO Group Applauds General Mills Statement

A consumer activist group is claiming victory after General Mills posted a statement saying Cheerios are now made without GMO's. The corn starch used in original Cheerios will be sourced from conventional corn. In addition, only non-GMO cane sugar will be used in the cereal. Over the past year, a group called GMO Inside launched a social media campaign, inundating the Cheerios Facebook page with comments regarding biotechnology. YouTube and e-mail were also used to influence General Mills on this issue. The move was relatively easy and inexpensive. Cheerios are primarily oats, and there are no GMO oats... So, why go non-GMO now? The answer is that public opinion is reaching critical mass. 90 percent of Americans believe that GMOs are unsafe, 93 percent of Americans favor stringent federal GMO labeling regulations, and 57 percent say they would be less likely to buy products labeled as genetically modified." (Fluence Media)

Significant Ag Commodities Futures Losses '13 but Production Increased

Corn futures lost 40 percent in 2013 making it the worst performer of the S&P GSCI Index of 24 commodities. Corn prices plunged as farmers produced a record crop of almost 14 billion bushels, a 30 percent increase from the 2012 drought-reduced crop. Wheat prices declined 22 percent last year and soybeans lost 7.5 percent. (RRFN)

Tri-State Corn, Soybean Yields

Minnesota's average corn yield this past year was at 160 bushels per acre. That's down from 165 bushels in 2012. For North Dakota, the average corn yield was 110 bushels per acre, down from 122 the previous year. South Dakota's average yield increased from the drought-year of 2012, at 138 bushels this past season versus 101 bushels one year earlier. For soybeans, Minnesota had a 41 bushel average yield. That's down from 43.5 bushels in 2012. North Dakota growers finished the year with a 30 bushel soybean average yield. That's down from 34.5 bushels the previous year. A 40 bushel average was seen in South Dakota, up 9.5 bushels from 2012. (RRFN)

Who Owns the Data?

When the Farm Bureau delegates met, Minnesota Farm Bureau Federation President Kevin Paap expected some discussion about who owns the information being generated by precision agriculture. "It's no different than our farm analysis. We do an analysis of one place, that has great value to that individual farmer, but when I can now compare it to other years and other farms and similar circumstances, it has a higher value." (RRFN)

Drones Have Great Potential for Agriculture

Small unmanned aircraft systems, better known as drones, hold great promise for agriculture. Kansas State University agronomist Kevin Price told farmers at the American Farm Bureau Federation's annual convention the industry is growing rapidly. "They're predicting that it will be close to a \$100 billion dollar industry by the year 2025. About 80 percent of that economic growth will be used in agriculture. There is ten times more applications in agriculture than there is in any of the other applications, is what they're predicting." Agriculture applications for drones in development include data collection on crop health, vigor and yields, tracking the spread of invasive plant species and monitoring cattle feedlots. Data collection of field images by cameras mounted on drones is extremely accurate, to within one inch. Price said the cost of a fixed-wing drone ranges from about \$2,000 to \$12,000. Multi-rotor, or hex-coptors, range from less than \$1,000 to \$8,000. (AFBF)

McDonald's to Source 'Sustainable' Beef

In an effort to reduce its carbon footprint, McDonald's plans to purchase verifiable sustainable beef. To draft the management principles for sustainable beef, the quick serve restaurant chain plans to work with Cargill, JBS, the World Wildlife Fund and others. MCPR members should start expecting this same effort to apply to crops in years to come. (RRFN)

Agrium to Restructure Three Business Units into Two

Canadian fertilizer company Agrium Inc. said it will restructure its three divisions into two business units, wholesale and retail, in the first quarter of 2014 as it moves to become more efficient. (Ag Pro)



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Jessica Brunelle Membership Regulatory Compliance Manager

Brad's View

MCPR Members:

I appreciate the strong support each MCPR member demonstrated by your attendance at the 2013 CPM Short Course and MCPR Trade Show in December. We had record attendance and very positive comments about the program and trade show from many of you. Thanks for making it one of the best, if not the best program and show of its kind in the country. We all benefit when our strong support of MCPR demonstrates to regulators and legislators the unity that exists within our industry.

You should know that the MCPR staff is deeply involved and the MCPR Board is following closely the development of ResponsibleAg which is being finalized by the Agricultural Retailers Association and The Fertilizer Institute following the West, Texas explosion almost a year ago. Once again MCPR offered leadership in the development of the MCPR Stewardship Program which has been instructive to decisions in the development of ResponsibleAg. All crop inputs are being scrutinized by regulators and the public, so MCPR members can proudly build on our good work, while doubling down on our efforts to provide the best crop input service with the least environmental impact possible. MCPR is active in defending you during these challenging times.

Brad Englund

MCPR Board Chair