



# Take Five

five-minute summary of industry activities for members of the largest state agribusiness association in the nation  
The Agribusiness Association of Iowa

Action Plan to Reduce Nutrients to Mississippi River Released

## AAI SENDS ITS CONDOLENCES TO JACK & JUDY DUTRA

AAI sends its condolences to **Jack Dutra** (retired from Dow) on the loss of his son Jim, who passed away June 29. As many of you know, Jim has been very ill since last winter and his condition had worsened over the past couple of months. Jack and his wife, Judy, were at his side at the end. If you would like to send a card, Jack's address is: 8318 W 154th Street, Overland Park, KS 66223.

## ACTION PLAN TO REDUCE NUTRIENTS TO MISSISSIPPI RIVER FROM 31 STATES RELEASED

The Mississippi River/Gulf of Mexico Watershed Nutrient Task Force released an Action Plan that involves state and federal partners in reducing hypoxia in the Northern Gulf of Mexico. The 2008 Action Plan for Reducing, Mitigating, and Controlling Hypoxia in the Northern Gulf of Mexico and Improving Water Quality in the Mississippi River Basin builds upon the 2001 plan by incorporating emerging issues, innovative approaches, and the latest science, including findings from EPA's Science Advisory Board.

For more information on the 2008 Action Plan visit: <http://www.epa.gov/msbasin/>.

Northey to Visit Three Counties on July 8, 2008

## NORTHEY TO VISIT THREE COUNTIES JULY 8 TO VISIT WITH IOWANS

Iowa Secretary of Agriculture Bill Northey announced that he will be visiting three counties across Iowa on Tuesday, July 8 as part of his effort to meet with Iowans in each of the state's 99 counties again this year. Northey is meeting with residents to discuss the status of agriculture in the state and answer questions.

Northey will host town meetings in Audubon, Shelby, and Harrison Counties. The details of the visits follow here:

### Tuesday, July 8

Audubon County – 10:00 a.m., Audubon County Economic Development Corporation, 800 Market Street, Audubon

Shelby County – 12:30 p.m., Public Library, 2027 Washington, Elk Horn

Harrison County – 2:30 p.m., ISU Extension, 304 East 7th, Logan

USDA Crop Report does not Reflect After Flood Information

## USDA CROP REPORT DOES NOT REFLECT AFTER FLOOD INFORMATION

Despite the recent flooding in the Midwest, U.S. farmers expect to harvest nearly 79 million acres of corn and more than 72 million acres of soybeans in 2008, according to the Acreage report released today by the U.S. Department of Agriculture's National Agricultural Statistics Service (NASS).

The report shows U.S. farmers planted 87.3 million acres of corn in 2008, down 7 percent from last year's 93.6 million acres, but still the second largest area since 1946. Of that area, growers expect to harvest 78.9 million acres for grain, down 9 percent from 2007 but still the second largest area since 1944. For soybeans, 2008 planted area is estimated at 74.5 million acres, the third largest on record and up 17 percent from last year. Of the planted area, farmers expect to harvest 72.1 million acres, up 15 percent from last year.

NASS collected the initial data for the annual Acreage report during the first two weeks of June, before the majority of the flooding occurred in the Midwest. In an effort to more accurately determine how much of the planted area producers still intend to harvest for grain, NASS re-interviewed 1,150 farmers last week in flood-affected areas of Illinois, Indiana, Iowa, Minnesota, Missouri and Wisconsin.

"While many farmers are still assessing their damage and their options, this re-interview process provided a first look at how much of the planted corn and soybeans may remain standing for harvest," said Carol House, chair of NASS's Agricultural Statistics Board. "And what we are seeing is that the ratio of acres intended for harvest, compared to acres originally planted, is off about 2 percent from what we would have expected prior to the floods."

NASS's August 12 Crop Production report will contain the first 2008 estimates of corn and soybean yield and production. To help ensure that these estimates are based on the best information available, NASS will supplement its standard survey activities by re-interviewing approximately 9,000 farmers in the flood-affected areas. These re-interviews will be conducted in the middle of July, allowing time for flooded fields to dry and for farmers to fully assess their options. Additionally, NASS will increase the number of corn and soybean fields selected for objective field measurements.

Agribusiness  
Association of Iowa  
900 Des Moines Street  
Des Moines . Iowa  
50309  
515.262.8323  
800.383.1682  
Fax: 515.262.8960  
[www.agribiz.org](http://www.agribiz.org)



# Take Five

**American Feed Industry Association Urges EPA to Temporarily Wave U.S. Renewable Fuels Policy**

## **AFIA URGES EPA TO TEMPORARILY WAIVE U.S. RENEWABLE FUELS POLICY**

Federal regulators should temporarily waive the Renewable Fuels Standard (RFS) and lower the current national RFS mandate to the 2007 level of 4.02 percent through 2009, according to the American Feed Industry Association (AFIA). This year's RFS mandate is 7.76 percent.

The AFIA expressed its support for changes to the country's biofuels policy in a letter filed with the Environmental Protection Agency (EPA) this week. The letter to Stephen Johnson, EPA administrator, was timed to coincide with the agency's consideration of a request by the governor of Texas to reduce the 2008 RFS mandate in that state by 50 percent.

Rising commodity prices have contributed to dramatically higher feed costs, and recent poor weather conditions in the Midwest are likely to magnify the economic harm, as already low stocks of corn and soybeans are tightened further in the months ahead. Corn and soybeans are essential ingredients in animal feed, with corn the primary source of energy and beans the primary source of protein in animal diets.

"Under the current crop conditions," Newman wrote, "the RFS mandate will significantly add to increasing grain, feed and food prices, and risk sustained, long-term damage to the livestock industry." He noted there are several global factors that have resulted in increased commodity prices, but the development of the ethanol industry has had an effect on increasing corn market prices paid by AFIA members, as one of these factors.

To read the comments AFIA sent to EPA administrator Stephen Johnson please go to the Agribusiness Association of Iowa website at [www.agribiz.org](http://www.agribiz.org).

**Slowdown in Road Travel Eclipses 1979 Drop**

## **SLOWDOWN IN ROAD TRAVEL ECLIPSES 1979 DROP**

Written by: Tom Doggett, Reuters

Americans cut down on the number of miles they drove for the sixth straight month in April, resulting in the biggest six-month decline since the oil shock of the 1979-80 Iranian revolution, new government data shows. As record gasoline prices push more and more commuters onto public transport and vacationers to trim trips, U.S. highway travel fell 30 billion miles between November and April, down 1.7 percent from the comparable period a year earlier, according to the U.S. Department of Transportation.

That was the steepest decline since Americans cut back their driving by about 500 million miles over two years in 1979 and 1980, when there were gasoline shortages and price spikes after the Shah of Iran was overthrown, said department spokesman Doug Hecox. In fact, the current 30-billion-mile drop in highway travel is likely more than all the previous declines combined during the 66 years that the department has been collecting such information, Hecox said.

During April alone, Americans drove 1.4 billion fewer highway miles, down 1.8 percent from a year earlier and 400 million miles less than in March. The high cost of gasoline has cut highway travel almost 20 billion miles, or 2.1 percent, during the first four months of this year, the department said.

Rural areas, where families drive more and spend a larger share of their income on gasoline, have seen the biggest decline in highway travel. Travel on rural interstates for the January-April period is down 2.9 percent and off 3.1 percent on other rural highways.

A new report on Thursday from an energy advisory group reflected the drop in total highway travel, saying U.S. gasoline demand may have peaked last year and will likely decline in 2008 for the first time in 17 years.

The downside for the government is less money to pay for highway projects and public transportation, which is funded by an 18.4-cents-per-gallon gasoline tax and a 24.4 cents-per-gallon diesel fuel tax.

"As positive as any move toward greater fuel efficiency is, we need to make sure we have the kind of sustainable funding measures in place to support needed highway and transit improvements well into the future," said Acting Federal Highway Administrator Jim Ray.



# Take Five

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"Inspection of  
Flood Damaged  
Grain"

Additional  
Information  
Attached

Farmers Disaster  
Assistance Guide  
Available

Farmers are  
Advised to  
Properly Dispose  
of Spoiled Grain  
to Avoid  
Combustion

## GRAIN INSPECTION, PACKERS & STOCKYARDS ADMINISTRATION, "INSPECTION OF FLOOD DAMAGED GRAIN"

The Grain Inspection, Packers and Stockyards Administration (GIPSA) has issued FGIS Program Notice 08-10, "Inspection of Flood Damaged Grain" dated June 30, 2008. Direct any questions concerning this policy to GIPSA's Policies and Procedures Branch at (202) 720-0224. Direct any questions regarding grading guidelines to the Board of Appeals and Review at (816) 891-0418. GIPSA has suspended the routine publication and distribution of program notices and directives. This program notice may be viewed, downloaded, or copied from the GIPSA Home Page at the following internet address: <http://archive.gipsa.usda.gov/reference-library/bulletins/pn08-10.pdf> Please contact Terri Henry if you have any questions about GIPSA's issuance management program (phone: (202) 205-8281; e-mail: [Terri.L.Henry@usda.gov](mailto:Terri.L.Henry@usda.gov)).

## FARMERS DISASTER ASSISTANCE GUIDE AVAILABLE

AAI members wanting to assist their customers who have experienced disaster conditions may want to share the Farmers' Guide to Disaster Assistance. This document has been recently updated to reflect changes from the 2008 Farm Bill.

Written by FLAG attorneys, Farmers' Guide to Disaster Assistance describes in plain language the rules for programs such as FEMA assistance, federal crop insurance, USDA's Non-Insured Crop Disaster Assistance Program, and Emergency Loans from USDA's Farm Service Agency. Chapter 1 includes a preview of programs authorized in the 2008 Farm Bill.

Chapters of the book may be downloaded below at no charge. For more information visit, <http://www.flaginc.org/topics/disaster/index.php>

## DNR AND IDALS ADVISE FARMERS TO PROPERLY DISPOSE OF SPOILED GRAIN TO AVOID COMBUSTION

Farmers affected by the recent floods in Iowa should be aware that ruined grain and hay must be disposed of properly and safely to avoid combustion.

Wet grain molds and heats rapidly and is most likely not salvageable. Wet feed should not be given to animals since it may contain contaminants from floodwaters, and drying wet seed grain halts the germination process and prevents later growth.

The options below are for farm operations dealing with damaged grain or hay as a means of handling the material on their own property/farm ground. Businesses looking to land apply on behalf of farmers on other farm ground at greater application rates should contact the DNR's solid waste section for permitting requirements.

First, act quickly to remove and store dry grain in a separate location. Damaged grain can be land applied at the following application rates by farms managing spoiled grain and feed on their own property without having to first obtain a solid waste land application permit:

- Corn: 4.1 tons/acre or 146 bushels/acre
- Soybeans: 1.5 tons/acre or 50 bushels/acre
- Oats: 1.2 tons/acre or 75 bushels/acre

Flood-damaged hay also poses a risk of combustion. Remove dry hay from wet hay; monitor the damaged hay for signs of heating, such as a strong burning odor, noticeable vapor, or a warm feeling to the touch. Check the temperature of the hay regularly. If it rises above 140 degrees Fahrenheit, carefully remove the hay from the storage area, moving it too quickly can cause it to burst into flame. For assistance, contact your local fire department to have them on stand-by while the hay is being transferred.

If you choose not to salvage flood-damaged hay, move hay away from buildings as soon as possible since spontaneous combustion can occur within several weeks. Land apply the hay by chopping or disking it back into the soil. Contact your local Iowa State University Extension office (<http://www.extension.iastate.edu/ouoffices.htm>) for recommended application rates. If dead animals are managed on site through composting, hay can be used as a cover material/bulking agent.

As a last resort, farmers can contact their local landfill to see if disposal is an option.

For additional information, visit: <http://www.iowaagriculture.gov/feedAndFertilizer/pdfs/FloodwaterandGrain.pdf>