

South Dakota's next Gov: Who is the best for agriculture? SD Corn and ACE host first forum with 2010 Governor Candidates

THE SOUTH DAKOTA Corn Growers Association (SDCGA) and the American Coalition for Ethanol (ACE) brought together all six candidates for South Dakota's next governor to discuss the topic of ethanol and agriculture in the state. The event, held April 8 in Sioux Falls, marked the first time all of the candidates were together in one place for an open forum.

More than 100 people packed the Downtown Holiday Inn to learn more about how the candidate's for South Dakota's next governor would support the ag and energy industries if elected.

Candidates include 5 republicans and one democrat:

- **Lt. Gov. Dennis Daugaard**, Republican from Sioux Falls
- **Sen. Minority Leader Scott Heidepriem**, Democrat from Sioux Falls
- **Sen. Gordon Howie**, Republican from Rapid City
- **Sen. Majority Leader Dave Knudson**, Republican from Sioux Falls
- **Ken Knuppe**, Republican from Buffalo Gap
- **Scott Munsterman**, Republican and Mayor of Brookings

Each candidate offered an opening statement before questions from the audience were asked by the moderator, Jerry Oster of WNAX. Topics covered included property taxes, how to promote agriculture and value-added development in South Dakota, ethanol blender pump infrastructure, E15, transportation infrastructure and livestock development.

Candidates spoke strongly about their individual support for the ethanol and livestock industries in the state and the value-added importance and impact of those systems in South Dakota.

"The ethanol subsidies in South Dakota have proven to be effective but I think we need to make certain as we move forward that everyone who comes to the table has to understand that we can't continue to add subsidies," said **Howie**.

"We have to honor the deals we already have on the table but we have to understand that we can't put more subsidies even in the ethanol industry

which is a vital part of the state economy.

"One of the things that we could do is add livestock on feed in this state which would produce opportunities beyond what we've seen in the ethanol industry because we use byproducts from ethanol to feed livestock but we could expand those opportunities and I would work in that relation," said **Howie**.

Munsterman touts the economic boon agriculture is to South Dakota.

"How we have to really look at this is taking it from the perspective of what makes this industry profitable? Obviously it's the producers that make this industry profitable. Our ag economy produces over \$600 million in state and local taxes. So as your governor, we have to take a front end leadership role in defending our economy," said **Munsterman**.

Voicing support for ethanol, **Daugaard** believes the state can take a policy role in several arenas.

"We need to return to renewable fuels and ethanol is our best and our fastest route to reducing our dependence on foreign oil. There's lots of policy that the state can

—Continued on page 3



**Read what the candidates have to say
about agriculture – starting on page 10**

**Look who's coming to the
SDCGA 2011 Annual Meeting!**



2011 Annual Meeting - Save the Date! See page 19



Gary Duffy
SDCGA President

President's Message

HELLO FROM OLDHAM!

I was honored to be elected as President of the South Dakota Corn Growers at our February board meeting. I am looking forward to continuing to work with the Corn Grower board as well as the Corn Utilization Council on issues and projects for the benefit of the South Dakota corn farmer.

First of all I would like to tell you a little about myself. I am part of Shamrock Farms, a family farm corporation, where I am joined by my cousin and her husband as well as my dad in the day to day operations. We are diversified, raising corn, soybeans, alfalfa along with having a cow calf operation as well as back grounding those calves.

My wife Judy is a respiratory therapist and we have four sons Sean (Jen), Tom, Matt (Amber) and Aaron along with two grandchildren.

To some of you I might look familiar as I officiate high school football, basketball and volleyball because I like working with the young people of the state.

As I start this new term it seems that our plate is full of various issues both old and new.

It is an interesting time to be the president of a grassroots organization. Legislation on the table in Washington, DC will affect how we do our business. Chairman Collin Peterson has been speaking about the 2012 Farm bill and reforming crop insurance. There is a financial reform bill that could change how commodities are traded; a Columbia free Trade Agreement needs to be ratified; and rail legislation that changes the Surface Transportation Board is pending.

And on top of it all, we fighting for the continuation of the economic incentive to blend ethanol with gasoline. **The Renewable Fuels Reinvestment Act**, which is legislation of vital importance to the future of the ethanol industry, would extend the Volumetric Ethanol Excise Tax Credit (VEETC). The SDCGA will be working on your behalf to make sure your voices are heard.

Summer is right around the corner and I encourage you to take time out of your busy schedules to take part in some of the upcoming events with the SDCGA. There are many details about ways to get involved with the SDCGA in the following pages but here are a couple events to put on your calendar today:

Corn Cob Open: A great way to get out and network with farmers and industry is to get your team registered for the 19th Annual Corn Cob Open which will be held on June 24 at the Spring Creek Country Club near Harrisburg. This tournament fills up fast so contact the office today to reserve your spot!

Dakotafest: We are also gearing up for our summer shows which include Dakotafest Aug. 17-19 in Mitchell. Be sure to visit us at tent #118 and don't miss our annual sweet corn feed on Tuesday!

As we enter into the new growing season please remember those undergoing hardship due to the excessive moisture that have been experienced in some areas of the state.

Have a safe and productive growing season.



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South Dakota's Next Gov do: support the pipeline; support blender pumps providing private incentives like the legislature did this year; encourage research in cellulose at SDSU and our Bioprocessing center; use flex fuel vehicles; and provide continued production incentive payments to ethanol plants," said Daugaard.

Knudson went straight to market access for his vision for South Dakota's ag, energy and livestock industries.

"The first thing is to really get behind the industry and provide access to markets," said Knudson. "That is what it's about for ethanol; we need access to markets. The E15 waiver is an absolutely critical issue for the industry. The ethanol pipeline is going to provide important access to eastern markets. ... These are federal issues where the governor needs to stand tall and be counted and take the lead in talking and persuading the federal authorities to get behind this industry."

As a livestock producer himself, **Knuppe** acknowledged the innovation of what ethanol has done to the state but also saw the bigger picture of what that innovation could do for other industries.

"This is one rancher who is very impressed with the ethanol industry in this state," said Knuppe. "What really impressed me is that this industry, production agriculture found another outlet or another market for their product

other than food supply. The more competition, the more markets we have to market our product, the better off we are."

Heidepreim believes the next governor must fight for issues which impact South Dakota by being vocal federally.

"The first thing that the governor of the state of South Dakota has to do is establish a coalition that is effective federally in pursuing all of the points that have been made in terms of stimulating this industry and making it clear that those who are aligned against us are simply mistaken and they ought to be in our group and promoting this," said Heidepreim.

Heidepreim also believes in educating consumers about their choices at the pump.

"South Dakotans don't like to be told what to do so there's always resistance for mandating a renewable energy standard but that doesn't mean we can't promote choices that consumers make in the marketplace. That's why blender pumps are so important because it gives us the opportunity to inform the consumer so that the consumer becomes the best friend of the producer and to the industry. We can do that, it's up to the governor to lead the way."

Media coverage of the event was inclusive with all three Sioux Falls television stations covering the forum and in addition, the Argus Leader streamed the event live on their website.

You can view the entire forum online on SD Corn's YouTube site at <http://www.youtube.com/sdcorn>.



View this event online on SD Corn's YouTube site at <http://www.youtube.com/sdcorn>

Social Media Update

The online battle ground...

The Humane Society of the United States, the anti-agriculture group that hides behind pictures of puppies has become extremely active in the social media world, especially in the Twitterverse. In case you didn't know, HSUS has opened an office in South Dakota! We need more "Agvocates" helping tell Ag's story to consumers, instead of the anti-aggies telling it for us.

The Fight for VEETC

There was good news when the Green Jobs Act (which included renewing VEETC) was introduced in the United States Senate. The anti-ethanol crowd has started spreading numerous stories about the industry giving misleading information on the number jobs actually affected by the tax credit. Folks have even been passing around a Stop-VEETC petition through Twitter. The truth is that there are jobs on the line, more than 8,000 in South Dakota.

Corn Ethanol Causing Increased Retail Pork Prices

Bloomberg.com recently released an article blaming the use of corn for ethanol production as the cause for the rise in retail pork prices. Not sure how this could be since corn prices are lower than a year ago and hog farmers save money by feeding DDG's. A red light on this issue is that the

national organizations are the ones complaining, not your local producers.

You Tube **SD Corn's You Tube Channel :** Tune in at www.sdcorn.com/user/sdcorn for short videos detailing recent happenings at South Dakota Corn. There you can also find our True Environmentalists Videos that you may have seen on TV recently.

twitter **Twitter:** SD Corn challenges each and every one you to give Twitter a try and join in on the conversation standing up for agriculture. It's terribly easy to learn and can be done from your phone. SD Corn is more than willing to help our members enter the social media scene on Twitter. Just email Social Media Director Jesse Johnson with questions about issues or social media at jessej@sdcorn.org. And remember to follow us @sdcorn or www.twitter.com/sdcorn/!

facebook **Facebook:** South Dakota has the highest Facebook per capita in the United States. Are you one of them? If so, we encourage you to become a fan of South Dakota Corn at www.facebook.com/southdakotacorn and participate by leaving comments or sharing your insights on current topics.

SD Corn's new website is fully live with new features. Check it out at www.sdcorn.org.

"The True Environmentalists" Campaign ramps up

YOU'VE LIKELY noticed farmers' faces on television, in the newspapers and even alongside the Interstate highways recently, delivering a message about the everyday efforts they make to protect the environment.

"The True Environmentalist" campaign went viral throughout the state to salute farmers' efforts in improving our environment. SD Corn launched television ads during the Earth Day month of April to highlight the role farmers play in protecting soil, water, wildlife and habitat while also providing ample food, feed and fuel.

In addition to the television presence, a "True Environmentalist" video was produced in conjunction with the campaign, highlighting the many sustainable activities farmers do every day. The video, available at www.sdcorn.org features five South Dakota farmers telling their story and what caring for the land means to them.

"The True Environmentalist" message will be life-sized year-round greeting motorists on South Dakota's Interstate system via six strategically placed billboards throughout the state.



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"It's time farmers were recognized for the everyday activities they do to improve and protect our environment," said Lisa Richardson, SD Corn executive director. "Farmers have a direct daily interface with the earth. They are literally getting their hands dirty caring for livestock, tending the soil and growing crops. Our ability to feed and fuel a world population that will double in the next 20 to 40 years is in the hands of dedicated farmers, who truly care about conserving our natural resources."



2010 Showplot Cooperators Announced

THE 2010 SOUTH DAKOTA Corn Growers Association showplots are being planted as the Spring planting conditions allow. The SDCGA would like to thank all the producers who take time to plant these plots.

The SDCGA is committed to providing a non-biased program with accurate and timely results. We would also like to thank the seed companies who participate in the showplot program; without the help of our seed dealers the showplot program would not be a success!

2010 SHOWPLOT COOPERATORS

- Frank Kralicek**, Yankton County – District 1
- Keith Alverson**, Lake County – District 2
- John Kittelson**, Codington County – District 3
- Brian Renelt**, Roberts County – District 4
- Rodney Bade**, Spink County – District 6
- Bill Chase**, Beadle County – District 7
- David Reinesch**, Aurora County – District 7
- Steve and Melvin Dick**, McCook County – District 8
- Chad Blindauer**, Davison County – District 8
- Bryan Jorgensen**, Tripp County – District 9
- Marv Schumacher**, Hughes County – District 9

Consider possibilities - ACRE deadline is June 1

THE 2008 FARM BILL established a new program adopted by Congress called the Average Crop Revenue Election Program (ACRE). With rising input costs, greater market volatility and other operational challenges, this program provides an additional risk management tool for producers.

"We encourage all South Dakota producers to take a closer look at this program and run their numbers to determine if it is right for you. It also appears likely that wheat producers in South Dakota will qualify for an ACRE payment" said Gary Duffy, president of SDCGA.

The preliminary national price triggers for ACRE payments are \$3.83 for corn; \$9.71 for soybeans; and \$5.84 for wheat. ACRE provides a safety net of 90 percent of the national price which is \$3.45 for corn, \$8.74 for soybeans and \$5.26 for wheat.

The SDCGA has advocated a revenue-based risk management tool. ACRE is an alternative to the Counter-cyclical Payment program. ACRE is based on crop-specific revenue rather than target price, fixed payment yield and crop base acreage.

Simply put, if your farm does not qualify for an ACRE payment in 2010, either your yield will be very high or the national average price for the 2010 marketing year will be way above current levels, and South Dakota had a stellar production of crops.

The trade off for enrolling in ACRE is 20 percent of your direct payment and 30 percent of your marketing loan price. Last year about a third of South Dakota land was enrolled in the new program. Farmers who enrolled in ACRE in 2009 cannot withdraw those acres in 2010. However, farmers who have not enrolled in ACRE can do so under the signup period through June 1 at their local Farm Service Agency.

"We encourage all South Dakota producers to take a closer look at the ACRE program and run their numbers to determine if it is right for you."

Immediately on the heels of "The True Environmentalist" Earth Day roll out, the U.S. Department of Agriculture offered proof of what we've known all along: growers are doing more with less; Less land, less waster, less crop inputs from pesticides to fertilizer, and all the while getting incredible increases in productivity of crops like corn. The National Resource Inventory (NRI) for Non-Federal Lands was released in April by the Natural Resources Conservation Service (NRCS) and revealed that soil erosion on cropland declined by more than 40 percent during the past 25 years, while more than one-third of all development of U.S. land occurred during the same period.

Key findings from the 2007 NRI include total cropland erosion (sheet, rill and wind) declined by about 43 percent, from more than 3.06 billion tons per year in 1982 to about 1.72 billion tons per year in 2007. Meanwhile, cropland acreage declined from 420 million acres in 1982 to 357 million acres in 2007, a 15 percent decrease.

What does it mean to be an environmentalist? Just ask farmers — "The True Environmentalists" — who protect our environment year round through their everyday activities. SD Corn encourages all farmers to tell their story!

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Top Membership Recruiters for 2009

EACH YEAR, the National Corn Growers Association (NCGA) recognizes the hard work of grower-members who recruit colleagues into the association. At a time when the industry is breaking production records, membership in the SDCGA and the overall national organization is an important tool for growers.

South Dakota had the top two recruiters nationwide in 2009! In addition, Darrin Ihnen of Hurley, S.D., was inducted into the NCGA Recruiter Hall of Fame for his membership recruitment efforts. All three were recognized at Commodity Classic held in Anaheim, CA in March. Following are the producers who were recognized during Commodity Classic held in Anaheim, CA in March:

- Chad Blindauer, Mitchell, S.D. (125 recruits, 665 points)
- James Burg, Wessington Springs, S.D. (203 recruits, 545 points)
- Recruiter Hall of Fame Inductee, NCGA President Darrin Ihnen of Hurley, S.D. (766 recruits)

"Membership is what gives our organization strength and allows the SDCGA to be highly effective in impacting state and national policy development," said Gary Duffy, president of the SDCGA. "We appreciate the dedication of our top recruiters and congratulate them for their achievements nationally."



Congratulations to top membership recruiters for 2009 who were recognized for their achievements at Commodity Classic.

Top left: Chad Blindauer
 Top right: James Burg
 At right: NCGA President Darrin Ihnen



2010 SDCGA CORPORATE PARTNERS

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TICKETS

Your Ticket to Dakotafest 2010!

GET FREE ADMISSION AND FREE LUNCH at Dakotafest 2010 by renewing your SDCGA membership from now until July 15! If your membership is set to lapse over the next few months, now is a perfect time to renew plus receive a ticket & lunch at Dakotafest along with all the other great incentives for joining, listed below.

Don't need to renew just yet? You can still earn a Dakotafest ticket if you encourage a producer friend or neighbor to join SDCGA! If you recruit a new member to join the organization, both you and the new member will receive free admission! (*Offer applies to 3-year or lifetime memberships only.*)

DON'T DELAY ... JOIN TODAY! Check out the membership packages:

Congratulations to Steve Minder of Wilmot, winner of the Raven Cruiser GPS System from our April membership giveaway!

3-year SDCGA Membership: \$200

Incentives: \$90 toward seed purchases
12-month subscription to DTN Mobile
\$25 QuickRoots Credit

Lifetime SDCGA Membership: \$800

Incentives: \$150 toward seed purchases
12-month subscription to DTN Mobile
\$25 in ethanol certificates
\$50 in QuickRoots Credit

Seed Program

Seed certificates can be used for \$30 off a hybrid seed purchase of \$100 or more from any of these supporting companies:

- Great Lakes Hybrids
- Heine Seed
- Hoegemeyer Hybrids
- Legend Seeds
- Mustang Seeds
- Nortec Seeds
- Pannar Seeds
- Proseed
- Renze Hybrids
- Seeds 2000
- Wensman Seed

DTN Mobile

Join SDCGA at the 3-year or lifetime level and receive a 12-month subscription to DTN Mobile.



FARM SMARTER

QuickRoots™ Certificate Program

Join SDCGA at the 3-year or lifetime level and receive a certificate towards a \$100 minimum purchase of QuickRoots™ - \$25 certificate for a 3-year membership or \$50 for a lifetime membership.

About QuickRoots™ -

The microorganisms in QuickRoots™ have been shown to increase availability of certain plant nutrients and can increase plant nutrient uptake. QuickRoots™ releases plant available phosphorous which has been shown to increase root mass allowing the plant to explore a greater volume of soil. Increased plant nutrient availability will often lead to increased plant health and vigor which can translate into a yield response.

QuickRoots™ is applied to the seed. QuickRoots™ can be used in a wet or dry form and may even be applied to the seed up to 18 months in advance of planting. For more information, contact TJ Technologies, Inc. at 1-866-819-8231 or visit the website at www.tjmicromix.com.

SDCGA Membership Application



- \$800 Lifetime membership (SDCGA & NCGA)**
Includes five \$30 Seed Certificates, \$25 in Ethanol, 12-month subscription to DTN Mobile and \$50 certificate for QuickRoots™
- \$200 Three-year membership (SDCGA & NCGA)**
Includes three \$30 Seed Certificates, 12-month subscription to DTN Mobile and \$25 certificate for QuickRoots™
- \$150 One-year membership (SDCGA & NCGA)**

Payment Method: (check one)

Check Visa Mastercard

Credit Card No. _____

Expiration Date _____

Name _____

Title _____

Farm/Company Name _____

Membership is to be in: (check one)

Name Farm/Co. Name

Address _____

City _____

State Zip Code _____

County _____

Home Phone _____

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Spouse's Name _____

FOR MORE INFORMATION CONTACT:

South Dakota Corn Growers Association
5109 S. Crossing Place, Suite 1, Sioux Falls, SD 57108
or call 605-334-0100

Membership dues paid to the South Dakota Corn Growers Association are not tax deductible as charitable contributions for income tax purposes. The non-deductible portion of your SDCGA membership dues, allocable to lobbying, is 100 percent.

Raven's Smart Products for Today's Producer

FARMING, Benjamin Gwynn, admits, is in his blood. A third-generation farmer, Gwynn says he values the independent lifestyle farming provides.

"My family has always farmed. I never thought of doing anything else," says Gwynn. "I like making my own decisions and watching what I put in the ground grow."

Gwynn made the decision a few years ago to integrate precision agriculture technology into his one-man farming operation.

"Precision ag makes me more efficient. Since I farm on my own, I need to take advantage of every minute I have," says Gwynn, who uses Raven's Smart products — Cruiser™ guidance system and SmartRow™ planter section control — to maximize his planting efficiency.

Raven's Cruiser guidance system is simple to install, with an easy-to-use and read monitor that visually shows Gwynn where he's been in his field, and where he needs to go.

"Because I can see where I've been, I don't miss anything. The touch screen is very easy to use," says Gwynn, adding that installation was simple.

Simple installation is a key design component to each of the Raven Smart solutions, says Anthony Schmidt, director of product management, Applied Technology Division, Raven Industries.

"You can have it installed in your tractor within 5 minutes of buying it," Schmidt says. "We've had people buy Cruiser at a farm show and tell us that they plugged it into their pick-up's power source and had it figured out in only a few minutes."

Gwynn says that not only do the Smart products increase his efficiency, they maximize his inputs. SmartRow controls his planting sections. Like Cruiser, it works with GPS to automatically turn planter sections on and off, so he doesn't have to worry about over-planting.

"Seed has gotten so expensive — with \$350 bags of cottonseed and \$250 bags of corn seed — it doesn't take too much seed to pay for the technology," Gwynn says. "I noticed the seed savings right away. I have bags left over."

Schmidt says that in field studies, based on field conditions, producers can expect to save between 5 and 15 percent of their inputs when they utilize SmartRow or its sister product, SmartBoom™, designed to control sprayer sections. Raven designed both products to utilize the same control system, allowing producers to utilize both systems and only invest in one system.

"We designed these Smart solutions to maximize every pass through a field," says Tim Heins, product manager,

Applied Technology Division at Raven Industries.

Working off the farm fulltime, and farming his family's ground on the side, Stan Bruns says he depends on Raven's Smart technology to help him do just that.

"I have to make every minute count. When the weather's right I have to get what needs done in as few passes through the field as I can," says Bruns, 55, adding that sometimes this means using vacation days to farm.

Bruns is the third-generation to farm his family's ground, in Utica, Neb. Putting in long, and sometimes very late nights farming, he says SmartSteer™ helps him get his fieldwork done safely and accurately.

"It's hands free farming," he says, describing the portable, assisted steering system. "SmartSteer takes the stress out of it. You don't have to watch what you are doing all the time and can keep track of other things."

SmartSteer fully integrates into his tractor's steering system, using direct drive, SmartSteer attaches to tractor's steering wheel, eliminating slippage and increasing accuracy.

He says that using Smart technology takes the stress out of farming, maximizes his time and investment.

"I'm a low-budget farmer — most of my equipment is older — with the Cruiser and SmartSteer I can keep track of acres, know how much ground I'm covering, I don't overlap, and my spacing is more accurate — whether it's daylight or not," says Bruns.

This planting season was the first that Ralph Balko, 57, used SmartRow. Planting 1,900 of his 2,700 acres himself, he says it was nice to rely on

SmartRow and not worry about turning sections off and on.

"It reduced a tremendous amount of stress. Before using SmartRow, when I'd hit those end rows I turn the sections off, then I'd get half way down the field before I remembered to turn the sections back on," says Balko.

Looking back on what technology was available when he began farming in 1974, Balko says precision ag technology has evolved beyond his expectations.

"If you'd said 20 years ago that I could plant with this much accuracy, pass after pass, I would not have believed you," Balko says. "Today, using SmartRow makes perfect sense. Think of how much seed goes to waste every year without it. As seed costs go up so does the savings from using SmartRow."



"If you'd said 20 years ago that I could plant with this much accuracy, pass after pass, I would not have believed you."



**It's pretty simple.
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Cattle are a big part of our state's economy. Just think about it. There are more than 15,000 cattle farms and ranches raising nearly 4 million head of cattle right here in South Dakota. That creates a huge demand for locally grown corn and distillers grains. Who knew economics could be so simple?



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Open Forum: Meet the Candidates for



LIEUTENANT GOVERNOR DENNIS DAUGAARD

I HAVE SAID THAT, as governor, creating jobs will be my top priority.

Agriculture must be a key component to any economic development plan for South Dakota. It is our state's largest industry, the foundation of our economy, and the lifeblood of our small towns. I grew up on a farm, and I understand the important values that come from farm life — hard work, self-reliance, and the pride of private enterprise.

In March, I released a Jobs Plan that includes my ideas for the state, including several ideas about agriculture. My entire plan is available at www.dennisforgov.com/jobs but I would like to mention one or two specifically.

South Dakota should put more effort into cultivating international markets for our commodities. Many states, including North Dakota, have undertaken successful efforts to expand international markets. Trade missions by business and government leaders can open doors and lead to business relationships.

Another important opportunity is to seize the opportunities created by "the renewable economy." South Dakota is in a strong position to be a major source of new energy like wind power, ethanol, and bio-diesel, and I will strongly support these industries. We often forget that many of the materials we use every day — plastics and synthetic fibers — are made from fossil fuels. New scientific breakthroughs are creating sugar-based polymers that are biodegradable and produced with renewable plan products. South Dakota should be a leader in this field.

Finally, I believe that open and frequent communication between the Governor and ag leaders is key. Every year, I will host ag leaders for a Governor's Forum, to discuss agriculture in our state and explore ways to strengthen ranches and farms. My door will always be open — because I was to ensure that the state always acts in the best interests of farmers and ranchers.



SENATOR SCOTT HEIDPRIEM

LAST MONTH, I had the pleasure of appearing in front of the South Dakota Corn Growers.

Our next

Governor will need to work closely with corn producers as they take on the challenges of the next decade. I have always believed that communication and coordination is critically important between our government, our businesses and our citizens.

Increasing demand for corn, reducing our dependence on foreign oil and adding value to our South Dakota corn producers are just a few of the reasons why we need to continue to educate the public on the benefits of ethanol.

During the past legislative session I worked closely with Representative Fargen to expand renewable energy, including the ethanol blender pump incentive program. I believe it is critical to provide customers access to different blends of ethanol and to provide retailers assistance in making this important transition in our energy strategy.

I would like to see our state continue to make smart investments into cost-effective programs like the blender pump program. However, as I stated at your forum, the current Administration in Pierre has severely jeopardized our state's ability to make critical investments in a number of areas because of their inability to keep our state's fiscal house in order.

For seven of the past eight years they have produced a budget with structural deficits — put simply, they have the state spending more each year than we take in to our coffers. For the past four sessions, I have proposed capping the growth of state spending at 3% or the rate of inflation, whichever is less. Instead, the Rounds-Daugaard Administration has increased state spending by 53%!

That's unsustainable and it's robbing future generations of real opportunity.

Corn producers have an important choice ahead of them in this election. You can learn more about my campaign at www.scottheidepriem.com



SENATOR GORDON HOWIE

THE ECONOMIC value of Agriculture in South Dakota is indisputable. Ag producers pay about one half

of all taxes paid in the State, and contribute to the economic well being of every South Dakota citizen.

I believe we have missed the mark with economic development. For example, cattle production has historically been the largest component of agribusiness in our State. We currently ship 75% of our livestock out of state to be fed, finished and processed. In the past ten years, cattle on feed numbers have only increased by about 1%. We need leadership that would define new goals and implement plans to grow that number by 10% in the next 3-5 years. That would put \$80-90 million dollars in the pockets of producers in our state, creating tens of millions of dollars in additional revenues for the State, WITHOUT increasing taxes for anyone!

The ethanol industry is another opportunity just waiting for a new direction to become an even larger part of the agribusiness impact to our economy.

South Dakota needs a leader that recognizes the best place to begin is right here at home, not getting on a plane and traveling the country to "Sell South Dakota". We need a Governor who understands agriculture; a leader who will roll up his sleeves and go to work at home to create new jobs and economic recovery...without increasing State spending and without raising taxes.

The real pathway to success in South Dakota starts at home, by freezing State spending, stopping government growth and getting government out of the way so private business can flourish. It's time to reduce costly regulations, resist Federal mandates that kill jobs and look for ways to stop the growth of government so we can reduce the tax burden on South Dakota ag producers.



**SENATOR
DAVE
KNUDSON**

AGRICULTURE IS South Dakota's No. 1 industry, and the ability of our agricultural producers to prosper is critical

to our state's future. What South Dakota needs most in its next governor is someone who has demonstrated not only a concern for agricultural issues but also a record of accomplishment and achievement.

To establish a climate in which agriculture can flourish, I led the three year fight for passage of the productivity method of valuing agricultural property. This legislation was supported by every major agricultural group in South Dakota. Tying the tax value of agricultural property to its actual agricultural productivity value rather than market value based on other non-agricultural factors was a major step forward in protecting our state's agricultural producers from excessive property taxation.

With regard to value added agriculture, we need to look to the continued development of ethanol, bio-diesel and wind energy. For the past several years, I have served as the ethanol industry's "go to" guy in the legislature. I led the fight to reverse the Rounds/Daugaard administration's attack on blender pumps. I was the Senate prime sponsor on the bill this year to utilize \$1 million of South Dakota's federal stimulus money to promote the installation of more blender pumps.

We need to pay serious attention to our farm to market roads. Of all parts of our road system, the farm to market roads are the most vulnerable. While no one likes to increase fees or taxes, the simple truth is that our roads need more resources if we are going to preserve and improve them. I am the only candidate that is willing to commit to actually dealing with our deteriorating road situation.

South Dakota has real challenges and real problems, and I believe we need a governor who will roll up his sleeves and attack these problems rather than ignoring them. My record of achievement shows that I have the skills and vision necessary to move South Dakota agriculture forward.



**KEN
KNUPE**

IN ORDER TO strengthen the economy of this state and nation, we need to get back to basics. We've learned that a successful economy

can't be based solely on services. We need agricultural production and natural resource development in order to remain an economic superpower.

Agricultural opportunities in South Dakota abound. With our diverse landscape and climate, we are the perfect place to raise and feed cattle and other kinds of livestock, milk cows and grow a variety of crops. As we combat environmental groups making false claims about agriculture, I will defend South Dakota with a backbone and with common sense. I won't compromise to appease a federal agency, or a wealthy, land-grabbing organization. Our private property rights must be protected and our land should stay in agriculture production.

I am concerned with the continued reliance on foreign countries for our agricultural products. As a nation it is crucial that we are able to provide for our most basic needs — food and water. We can create profit opportunities for South Dakota's farmers and ranchers simply by creating a fair playing field when dealing with foreign countries, and relying more heavily on U.S. and South Dakota grown products to meet our needs. Currency exchange rates, lower costs of living and less stringent regulations in less developed countries give multinational corporations an incentive to import from less developed countries. Imported products should be required to meet the high standards set by U.S. farmers, ranchers and consumers.

As rancher I also understand the struggles you have providing your employees and your families with insurance. Our state can and should develop policies that give South Dakota farmers, ranchers and other small business owners affordable insurance options.

America will always need food. We can meet that demand. Together we can make agriculture profitable again.



**SCOTT
MUNSTERMAN**

GOALS:

1. Meet the advanced renewable fuel standards and dispel the myths of indirect land use arguments with strong, responsive leadership from the Governor's office.
2. Invest in our intellectual infrastructure to position South Dakota as the world leader in Ag Innovation.

In brief, our state's comprehensive agriculture policy must include:

- Promote and sell South Dakota's commodities and livestock as a quality place of origin
- Bring to completion a beef processing plant in South Dakota
- Create incentives and review our regulatory restrictions so we can expand the finishing of livestock in our state
- Provide better options for state loans through the REDI fund
- Collaborate with the commodity organizations to develop an aggressive game plan to double our state's ag economy by 2020
- Improve research in advanced technologies and diversifying our Value-add Portfolio
 - Precision Ag Systems
 - Production Best Practices (sustainability practices)
 - Succession planning to retain small farm and ranch ownership
 - Equipment Development
 - Seed Technology
 - Bio-Fuels
 - Ethanol & Distilled grain products
 - Bio Diesel (Soybeans)
 - Ligno Cellulosic potential
 - Bio-Medical
- Wind Energy Development and transmission

As your new governor, I will provide collaborative leadership with a vision for South Dakota's future. Please read or listen to my book "A Vision for South Dakota" at www.munstermanforgovernor.com/vision. I spent two years researching a plan for South Dakota. I learned as Mayor of Brookings that we are only as strong as our smallest community. And with a strategic plan based upon this premise, we can grow our whole state — strengthening our local communities and safeguarding our number one economy in South Dakota — Agriculture. I am asking for your support and vote on June 8th to make this happen. Thank you!

Join us for the
SDCGA's 19th Annual

Corn Cob Open

June 24, 2010



27122 480th Avenue
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SPRING CREEK
COUNTRY CLUB

To register, call the SDCGA
office at (605) 334-0100

THE SOUTH DAKOTA Corn Growers Association's 19th annual Corn Cob Open, slated for June 24, 2010 at the scenic Spring Creek Country Club near Harrisburg, S.D., is projected to be the premier golf event of the season.

Over 200 members, producers, agribusiness people and political leaders are expected to converge on the greens throughout the day. Two shot gun starts for the 4-man Best Ball Tournament will be held; the first at 8 a.m. and the afternoon flight (**SOLD OUT**) begins at 2 p.m.

"The SDCGA Corn Cob Open continues to draw record numbers year after year, becoming the 'can't miss' event of the summer for our agricultural community," said Gary Duffy, president of the SDCGA. "Each year the Corn Cob Open exceeds the expectations of its participants and adds a new level of prestige in taking part. It's a perfect opportunity for industry and producers to come together for this fantastic networking event."

A registration fee of \$50 per golfer in advance for SDCGA members and \$100 for non-members includes green fees, cart rental, lunch for the morning tournament or dinner for the afternoon tournament. Space is very limited and golfers can register by calling the SDCGA office at (605) 334-0100.

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SALUTE TO AGRICULTURE!

FRIDAY JUNE 4TH



A GROWING INVESTMENT



South Dakota Corn teamed up with the Sioux Falls Pheasants Baseball to promote a **salute to Agriculture at the stadium on Friday, June 4**. Farmers receive special rates for admission, just \$5 per ticket. Tickets must be ordered in advance to take advantage of the special offer. **So join South Dakota Corn at the Pheasants stadium for the salute to agriculture!**

Remit your ticket request to:

of Tickets _____ x \$5.00

Sioux Falls Pheasants

c/o Jim Loria

1001 N. West Ave.

Sioux Falls, SD 57104

E-mail: loria@sfstampede.com

Fax: (605) 333-0139

Phone: (605) 333-0179 ext. 202

Fri., June 4th SDCUC

TOTAL: \$ _____

For Pheasants Box Office Use Only:

Section _____

Row _____

Seats _____

Name (as it appears on credit card)

Address

City

State

Zip;

Phone (daytime)

Method of payment:

Check _____ Visa _____ MC _____ Discover _____

Please make checks payable to Sioux Falls Pheasants

_____/_____/_____/_____ exp. ____/____ Code _____

3 digit

*Tickets will be mailed to address provided above if received in our office by Tuesday, June 1st. All orders received after June 1st will be available in will-call the night of the game. **Please Note: Only the person whose name is on the will-call envelope will be allowed to pick up the tickets on game night.***

Attack on Atrazine — Farmers Fight Back

ATRAZINE HAS BEEN a safe and efficient tool for farmers for decades and proven safe time and again. Yet special interest groups have convinced the U.S. Environmental Protection Agency to re-review its own findings that Atrazine does not have adverse effects. Farm groups traveled to Washington recently to voice support for atrazine before the third in a series of hearings being held by the EPA to regarding the critically-effective herbicide.

Farmers' ability to have access to atrazine is under scrutiny by the U.S. Environmental Protection Agency.

According to Jere White, chairman of the Triazine Network, a coalition of state commodity organizations, farmers' ability to have access to atrazine is under scrutiny despite the fact that atrazine has been more extensively studied than any other crop protection product and has continually been awarded a clean bill of health. As recently as 2006, after an extensive 12-year review, that EPA concluded that the triazine herbicides,

including atrazine, pose "no harm" to the general population.

"The real issue in a nutshell is that with the huge amount of science that demonstrates the safety of atrazine, if we are not able to hold on to that product with that body of science, it's hard to imagine how we could hold on to any of the

products that we use," said White.

The farm groups testified about the beneficial effects of atrazine to the environment, especially as a result of no-till and low-till agriculture. By 2008, atrazine was applied to 60 percent of conservation tillage and no-till corn acres. Without such effective weed control, the result would be a massive increase in erosion, estimated to be more than 300 billion pounds annually.

On top of the environmental benefits, atrazine is critical to farmers' bottom line. Average corn yield gains with atrazine from 1986 to 2005 in university field trials were 5.7 bushels per acre compared to alternative herbicides. EPA itself has estimated that farming without atrazine would cost corn growers \$28 an acre in reduced yields and higher costs for less effective substitutes.

"The biggest issue is whether or not you use atrazine, it's important in terms of what it does in the overall pricing of crop protection products for corn," said White. "The fact that there's a relatively low cost component in the tool box keeps things more competitive.

"Even bigger than that, is this whole issue of being able to use any of the tools in the tool box and quite frankly maybe one of the good things is the activists have focused on something that we have a tremendous amount of knowledge and experience," said White.

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DakotaFest 2010

Dakotafest 2010
August 17-19
Mitchell, SD

The South Dakota Corn Utilization Council (SDCUC) and South Dakota Corn Growers Association (SDCGA) will host special events each day of Dakotafest at our tent, #118!

FREE TICKET & LUNCH AT DAKOTAFEST - SEE PG. 7



Join or renew your membership to the SDCGA by July 15 and receive FREE ticket and lunch at Dakotafest! See page 7.



TUESDAY, AUG. 17 **Sweet Corn Feed**

Don't miss a complimentary Sweet Corn Feed from 11 a.m. to 1 p.m. at the SD Corn tent, #118

WEDNESDAY, AUG. 18

Membership Appreciation Day

SDCGA members are invited to stop by the tent and sign up for a Members-only prize give-away! Our way of saying 'thanks' for your support!

THURSDAY, AUG. 19

"The True Environmentalists Day" at the SD Corn Tent

Join us for a special giveaway and to see the many ways Farmers are "The True Environmentalists."

S.D. Blender Pump grant program expands consumer choice

A MILLION DOLLARS worth of opportunity was offered to South Dakota fueling retailers to install blender pumps, authorized by the state legislature in the 2010 session. The march to open up new fueling choices for consumers had gas stations lining up to take advantage of \$10,000 grants per blender pump installed.

As many as 100 new blender pumps could have been added to the 45 currently operating in South Dakota. Fueling stations we given until May 21 to apply for the grants and gas station owners were allowed to receive more than one grant if they chose to add additional blender pumps. Each pump is required to have a minimum of four blender hoses, which could feature a variety of blends including E10, E20, E30, E50, E85 and regular gasoline.

At press time over a third of the \$1 million in available funds were earmarked for new blender pump installations in the state, which means more than 30 blender pumps will be added to the state's total.

State Representative Mitch Fargen authored the legislative bill which tapped federal stimulus dollars to increase blender pump infrastructure. Fargen said there was tremendous interest in the program but some didn't know if they could participate.

An extensive educational effort was made statewide to increase awareness of the program and the benefits of offering blender pumps to consumers.

"We were making phone calls across the state and making personal visits. A lot of it is just helping people understand that they seriously could qualify, but they didn't understand it until we talked it through," said Fargen.

When the final numbers are in Fargen expects to get very close to receiving applications for all \$1 million in grant funding.

"This is only going to help us with corn prices and energy independence in South Dakota," said Fargen.

As infrastructure continues to expand for blender pumps in South Dakota, educational efforts will be directed toward motorists so they are aware of how to find and utilize higher blends of ethanol in their vehicles.

"South Dakota continues to be a leader in the blender pump effort and SD Corn applauds the success of the state grant program in developing new opportunities for drivers to access higher blends of ethanol," said Teddi Mueller, SDCGA legislative director.

Renewable Fuels Reinvestment Act

THE SOUTH DAKOTA ETHANOL INDUSTRY is a powerful generator of the state's economic wealth. With over 1 billion gallons of ethanol produced through the state's 16 plants, the viability of the industry is critical for local communities, farmers, motorists and jobs.

That's why the South Dakota Corn Growers Association has been working with the state's Congressional delegation to make sure blender tax credits, which level the playing field for ethanol in the marketplace, are protected. With over 300 bushels of corn devoted to producing ethanol in the state, these markets are vitally important to the agricultural industry.

"South Dakota built its own value-added industry for corn and livestock through our ethanol development and as producers continue to grow more corn on the same number of acres, a robust local market for our product is imperative," said Gary Duffy, president of the SDCGA.

One of the most important tools for growth and securing a level playing field in fueling markets is the Volumetric Ethanol Excise Tax also known as VEETC.

VEETC was created as part of the American Jobs Creation Act of 2004 and provides oil refiners, blenders and marketers of fuel with a federal tax credit of 45 cents per gallon of ethanol blended into traditional gasoline. VEETC has played a key role in the expansion of the ethanol industry as it provides an economic incentive to blend ethanol with gasoline.

"I believe strongly that ethanol is the right component to go with our fuel and that there's enough economic incentive to blend it right now, said Scott Mundt with Dakota Ethanol of Madison, S.D. "It's really been important to build the market. For the blenders to be willing to continue to blend ethanol in all markets and to build that market, we think the blender credit has been an important component of that."

The Renewable Fuels Reinvestment Act (RFRA) was recently introduced in the U.S. House of Representatives. Passage of the RFRA is one of the top priorities for corn farmers this year as it will ensure several vital incentive programs that support ethanol production all across the country, will continue.

"South Dakota is fortunate to have our entire Congressional delegation as co-signors of RFRA," said Duffy. "Their action signals their support of our state's corn and ethanol industries as well as their commitment to the nation's energy security."

What does the RFRA mean to corn growers?

The RFRA would renew important blender tax credits and a tariff that ensures American-produced ethanol can compete with heavily subsidized foreign ethanol. If the incentives are not renewed, decreased demand for domestic ethanol could reduce

our ethanol production by an estimated 37.7% and drive corn prices down by 32 cents per bushel.

"The fact of matter is this is one tax incentive that everyone who drives a car and buys gas can benefit from," said Brian Jennings, executive director of the American Coalition for Ethanol. "The most common misconception about VEETC is that it either a payment to the ethanol producer. The truth is that it goes to oil company that blends ethanol with gasoline."

One of the overlooked benefits of having the VEETC tax incentive in place, according to Jennings, is that it has helped pay for infrastructure. Because of VEETC, the United States has

not had to give terminal operators or oil companies any special grants or subsidies to install the tanks or equipment or provide the retailers grants to install the pumps in order to make E10 available.

"The truth is when ethanol and gasoline were priced at the same value, the added incentive of VEETC helped those folks in the stream — like oil companies, terminal operators, petroleum marketers — the incentive for them to pay for the infrastructure so they could make E10 available. Having this incentive in place is one thing that has helped us get to a place where virtually every gallon of gasoline in the U.S. that can be blended with 10 percent ethanol, is blended with 10 percent ethanol."

What does the RFRA mean to rural communities?

The U.S. would see 112,000 jobs disappear—many in South Dakota. It is estimated that South Dakota stands to lose over 8 thousand jobs, or 7.5 percent of the state's workforce if the RFRA does not pass.

"The ethanol industry is very important to our local economies in South Dakota and provides good jobs in these rural communities," said Mundt. "The jobs become at risk if ethanol is not used. If the overall

demand for ethanol is jeopardized and we have trouble getting ethanol to market, then there's an impact that's real in South Dakota."

What's more is, American consumers would pay an additional \$5.4 billion at the pump each year.

"At today's prices for gas and ethanol, VEETC helps keep E10, which is the most common blend of ethanol in America today with about 90 percent of the gas containing E10, incredibly competitive, much more affordable," said Jennings. "In fact depending upon where you live, you can save between 7 and 14 cents a gallon on E10. Having that opportunity to choose more affordable fuel is really important, you can place a value on it. It can save a household in South Dakota between \$100 and \$200 a year based on how much fuel they purchase."



"The ethanol industry is very important to our local economies in South Dakota and provides good jobs in these rural communities."



by Teddi Mueller
Legislative & Industry Affairs Director

THE SNOW IS finally gone and warm weather is here which can only mean one thing, our State Legislators are on a well deserved break from Pierre.

A BIG THANKS needs to be passed on to our state leaders who choose to winter in Pierre instead of Florida. Every year these individuals make tough decisions to move this great state forward.

Just to put into perspective how much work and dedication each legislator devotes towards this elected position: During the 2010 legislative session nearly 500 bills were introduced - that's a lot of bills to sift through. Not only do they have bills to worry about, but they make public appearances on the weekends to answer questions about their position on bills that are of interest to their constituents. A ton of time and energy is put into these 38 days of session. So thanks again for all you do!

Now a snap shot of the 2010 legislative session. Right out of the chute, the legislators had a major challenge on their hands as they worked to try and balance the budget. It is never easy to address a situation like this but our leaders approached this issue and tried to balance it in the most painless way possible.

When we weren't addressing budget issues we would strike up conversations about: property taxes, blender pump infrastructure, higher blends of ethanol, transportation, biotechnology, wind development and SDCUC redistricting.

Property Tax Push Back

I would have to say one of the biggest issues that we spent a ton of time on and we continue to address is the new method of assessing property taxes. We've been hearing from our membership and other farmers in the countryside with concerns about increases in their tax assessments under the new system and feedback is important to us as we move through the implementation process. We urge our landowners to work with their county assessors to understand the reasons behind the increases as the right to appeal has not changed from the previous market-based valuation.

The SDCGA, and other South Dakota agriculture groups, were instrumental in supporting the Productivity-Based Property Tax System. The alternative proposals which were not adopted would have been devastating to farmers as they may have been taxed off their land.

Keep in mind, the old market-based system was not working and fairness had to be brought into the old unreliable and inequitable process. The Productivity-Based Property Tax System is not perfect but was the best available starting point. While the first year is the most dramatic change, once the new system is completely phased in over the next three to five years, the result will provide a long-term, stable, predictable and equitable solution for determining the taxable value of agricultural land.

The SDCGA's number one goal is to protect the interests of corn farmers statewide and will continue to advocate for landowners. We urge everyone to allow the system to get in place and rest assured the SDCGA will continue to be a watchdog and advocate for corn growers on this issue.

Looking ahead, new scenarios and issues loom that will affect farmers throughout the state and the SDCGA is already eyeing those potential changes. With the election coming in November, a new governor will set the scene and a fresh group of legislative leadership will be in Pierre. New relationships will be formed as well as educational efforts made to make sure agriculture tops the minds of policy makers. There is a major shakeup coming to our state's capitol and now more than ever, the SDCGA needs your support.

Make a difference — contribute today!

Support the SDCGA **CORN PAC**

By completing this form you will be promoting the interests of South Dakota producers through the election process.

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Thank you for supporting CORNPAC!

CornPAC – The most important dollar you can spend!

When we have issues that affect our industry so dramatically like property taxes, we can never have too many voices fighting for agriculture's interests. This is where your PAC dollars come into play. In major election years such as this, the power behind our punch is our grassroots participation in the CornPAC.

We have to make sure that ag-friendly representation is elected and prevalent, as our industry is the number one economic driver of the state. However, rural legislators are becoming rare and as the landscape and non-ag representation is changing, we need ag-friendly allies in leadership positions.

Without a doubt, the most important dollar you spend is toward a PAC Contribution to support those candidates who will protect and advance agriculture in the South Dakota.

However, CornPAC dollars must come from the grassroots level. Industry cannot contribute to political action funds and the support must be personal. The CornPAC is your voice in elective politics. The CornPAC donations are combined with others to jointly support candidates. This provides a unified and powerful voice for ag interests. It is also an opportunity to participate in one of the largest pro-agriculture PACs in the state.

The SD CornPAC has a tremendous track record of effectiveness in supporting candidates who go on to make significant positive impacts to the way farmers do business in South Dakota. Please take the time to support your CornPAC. No amount is too large or small to make a difference! The application is provided here for your convenience.



by Lisa Richardson
SDCGA & SDCUC Executive Director

CONGRESS HAS less than 35 legislative days before the August recess and perhaps less than 15 between Labor Day and the adjournment prior to the November elections. They might take up the Food Safety bill in the calendar before Memorial Day. There is much debate regarding the Senate's ability to take up an energy/climate bill in June or July. Majority Leader Reid has

indicated his continued desire to move an immigration reform package yet this year. Neither chamber has passed any of the 13 appropriations bills for FY 2011. And now, the Senate will need to use some of its legislative days for the confirmation process of a Supreme Court Justice to replace the retiring John Paul Stevens.

VEETC

Congressman Earl Pomeroy (N.D.) and John Shimkus (Ill.) introduced the Renewable Fuels Reinvestment Act on March 26, 2010. This legislation would extend VEETC and the secondary tariff on ethanol through 2015. The Small Producers Tax Credit would also be extended until January 1, 2016. The same legislation was introduced in the U.S. Senate by Senator Dorgan and Senator Grassley. Senator Johnson, Senator Thune and Congresswoman Herseth-Sandlin all co-sponsored this legislation.

FINANCIAL SERVICE BILL

A key piece of the financial regulatory reform legislation now before the Senate and passed by the House of Representatives last year is the regulation of over-the-counter derivatives. Today, the term derivative is used for a broad class of financial instruments that derive their value from other underlying financial instruments, events or conditions.

Over-the-Counter (OTC) derivatives are contracts that are traded off the exchanges (and privately negotiated) directly between two parties. OTC derivatives are mostly unregulated and make up the largest derivatives markets estimated at well over \$100 trillion worldwide.

Because of the lack of transparency and the credit default swaps contributing to the subprime mortgage securities market meltdown, OTC derivatives, particularly those traded by banks and hedge funds, are being heavily scrutinized for the risks they present to domestic and international financial markets. The fallout from this push for more stringent regulation, especially mandatory clearing on exchanges, however, could result in legitimate commercial end users of commodities, energy as well as agriculture, being subjected to higher margin and collateral requirements, capital withdrawn from productive business activities and investments.

FARM BILL

House Agriculture Committee Chairman Collin Peterson (D-MN) has decided to move forward with his plans to hold a number of hearings to begin gathering input for the direction of the next farm bill. Given the difficulty of crafting the current bill and the trend of a declining budget baseline, he has indicated that it will take considerable time for agriculture groups and other farm bill constituencies to achieve a consensus, particularly in the commodity title.

Although the Chairman has stated that "everything is on the table," he hopes that initiating the hearings will start a discussion about how the Average Crop Revenue Election program (ACRE), direct payments, crop insurance and the new disaster assistance program, SURE, work together as a farm safety net.

Recently, he has indicated an interest in building on the ACRE program. A farm bill hearing hosted by Congresswoman Herseth-Sandlin will take place in Sioux Falls on May 18 at Augustana College. Gary Duffy, president of the South Dakota Corn Growers Association will be testifying on how U.S. farm policy is performing and what trends in agriculture should be considered for writing the next farm bill.

China Purchases U.S. Corn for first time since 2001

UNITED STATES EXPORTERS SOLD 115,000 metric tons of corn to China, its first major sale of the grain to the world's most-populous nation since 2001, according to U.S. Department of Agriculture data.

Despite strong production gains as a result of market-based reforms instituted 30 years ago, according to the U.S. Grains Council, the rapid growth of China's agricultural output has begun to be outpaced by demand. The convergence of China's demand and production, in conjunction with dramatic economic growth, has likely encouraged China to open its markets to corn imports.

"For the past 30 years, the U.S. Grains Council has had a presence in China, working with local producers, feed millers and manufacturers to demonstrate the value and cost effectiveness of U.S. corn and their co-products," said Rick Fruth, USGC chairman. "We are pleased to see that these market development efforts by the Council are being realized in corn sales to China. We anticipate China to be a long-term importer of U.S. corn and co-products."

The purchase for corn prices and the growing supply of corn especially in light of projections for another record yield in 2010. Corn futures for July delivery rose 10.50 cents, or 3 percent, to \$3.6425 a bushel at 11:19 a.m. on the Chicago Board of Trade following the announcement.

China, the second-largest corn producer behind the United States, will harvest 155 million tons of the grain, down from a record 165.9 million a year ago, according to recent USDA reports. Inventories before this year's harvest will reach 49.12 million tons, down from 53.17 million a year earlier, the USDA said.

U.S. Grains Council sources suggest six additional cargos of U.S. corn (250,000-300,000 metric tons or 9.8-11.8 million bushels) may have been booked for China delivery.

Thomas C. Dorr, USGC president and CEO, says food security with our trading partners is dependent on continuous, transparent and stable trade relationships. "We are hopeful the trade relationship with China will mimic the successful, longstanding relationships the United States shares with other parts of the world," he said. "This is indeed encouraging news as U.S. corn growers proceed at one of the most rapid paces ever to plant what appears could be another record crop."

S.D. NRCS Proposes Changes to Wetlands

ACCCELERATING THE WETLAND determination process is the impetus behind a South Dakota NRCS proposal to make changes to the state's mapping conventions in order to increase response rates for farmers.

The proposed changes, presented at the State Technical Committee meeting on May 11, would allow NRCS officials to utilize the tools available to them in the office to make more offsite wetland determinations and would result in fewer site visits. The move would achieve a 38 percent improvement in efficiencies and would assist South Dakota NRCS field staff in making progress toward reducing a significant backlog in wetland determination requests around the state.

NRCS collaborated with the Environmental Protection Agency, Corp of Engineers and U.S. Fish and Wildlife to develop the proposed plan. They analyzed over 1,400 sites in 17 counties within the Prairie Pothole Region of South Dakota to compare how the plan would work. They found that there was little or no differences in the resulting labels between the application of the existing onsite procedures and the application of the "offsite" plan.

"Not a lot is changing; what is changing is the expediency at which responsiveness occurs," said Kevin Luebke, with the state NRCS office.

The Plan:

- Potential wetlands that are depressional, not manipulated, not mapped on the NWI and have equal to or less than 30 percent wetland signatures would be labeled as an NW.
- Potential wetlands that are depressional, **manipulated**, not mapped on the NWI, and have equal to or less than 30 percent wetland signatures would be labeled NW/PC.
- Potential wetlands that are depressional, not manipulated, have equal to or greater than 65 percent wetland signatures regardless

of NWI status would be labeled a Wetland (W) if the soil was mapped hydric or had mapped hydric inclusions. Key to the entire process is farmers do not lose any of their appeals rights under the new plan.

Farmers also have the opportunity to comment on the proposed plan if they contact Luebke (605-352-1242) with the state NRCS by May 27. After that date, a public notice will be submitted regarding the change in mapping conventions and after a 30 day waiting period, the mapping convention update will be signed. The plan is projected to be implemented by the 2010 late summer or early fall, after wheat harvest.

"This is a really big change and is a positive step toward faster service for producers so they can get their initial determinations done in a more timely manner," said David Leiseth, South Dakota Corn Grower Association board member from Hayti, S.D.

CSP signup deadline announced: June 11

SOUTH DAKOTA FARMERS have until June 11 to be considered for the next funding period for the Conservation Stewardship Program (CSP).

Authorized in the 2008 Farm Bill, CSP offers payments to producers who maintain a high level of conservation on their land and who agree to adopt higher levels of stewardship. Congress limited enrollment for CSP nationally at 12.7 million acres per year. Each state will be allocated a certain number of acres and applicants will compete for those acres within state-identified ranking pools. The program accepts continuous signup, but those farmers signed up by June 11 will be considered for this next round of acre allocations.

Contact your county NRCS office for information on how to participate.



Mark your calendar
for Saturday,
January 22, 2011!

SDCGA Gears Up for 25th Annual Meeting at the Sioux Falls Convention Center!

Featured Speaker: Dr. Jay Lehr

Energy and insight define Economist and Futurist Dr. Jay Lehr who is known for making people feel good about American Agriculture. He combines 5 decades of expertise and experience in Agricultural Economics, Agronomy, environmental Science and Business Administration with the most contagious enthusiasm for the future of the American farm and ranch.



Featured Entertainment: Chubby Checker

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South Dakota Corn Growers Association

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Sioux Falls, SD

Calendar of Events

May 26-28, 2010

US Meat Export
Federation Conference
St Louis, MO

June 4, 2010

Salute to Agriculture Night
at the Pheasants Stadium
Sioux Falls, SD

June 7, 2010

Corn Utilization and
Technology Conference
Atlanta, GA

June 24, 2010

SDCGA Corn Cob Open
Spring Creek Golf Course
Harrisburg, SD

June 30, 2010

Governor's Ag Summit
Sheraton Hotel &
Convention Center
Sioux Falls, SD

July 12-13, 2010

NCGA Action
Team Meetings
Washington, DC

July 14, 2010

NCGA Corn Congress
Washington, DC

July 18-21, 2010

U.S Grains Conference
Boston, MA

August 3-5, 2010

American Coalition for
Ethanol Conference
Kansas City, MO

August 11, 2010

Ag Appreciation Day
Sioux Empire Fair
Sioux Falls, SD

August 17-29, 2010

Dakotafest
Mitchell, SD

August 24, 2010

SDCGA Board
Meeting
Sioux Falls, SD

Sept. 2-6, 2010

South Dakota
State Fair
Huron, SD

September 18, 2010

SDSU Cereal Bowl
Brookings, SD

September 22, 2010

SDCGA Board
Meeting
Sioux Falls, SD

*Reserve your spot today
on the SDCGA Bus trip!*

**SDSU Jackrabbits vs.
UNL Cornhuskers**

Football Game

Lincoln, Nebraska • Sept. 25

Details to be determined as the
game time has not yet been set.

**Limited space
available!
RSVP today at
605-334-0100!**

*Proceeds go to
the SD CornPAC.*



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