

IDAHO BARLEY NEWSBRIEF

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Idaho Barley Check-off Dollars

At Work...

IBC provides funding for legal fight on crop residue burning - IBC contributed funding this year to the Idaho Grain Legal Fund, which is jointly managed by the Idaho Grain Producers Assoc. and Idaho Wheat Commission to address legal and policy challenges that affect Idaho grain producers' viability.

IBC receives \$20,000 grant from the Western Center for Risk Management Education to conduct risk management education in 2008-09. For the 7th consecutive year, IBC has received competitive grant funding to provide risk management education.

Crop residue burning may be restored by fall

A special report from Idaho Grain Producers Association ...

During the past year, Idaho Grain Producers Association (IGPA) led an intensive effort to restore residue burning as a crop management tool in all parts of Idaho. After reaching a negotiated agreement between the parties last December, IGPA helped secure passage of a bill during the recent legislative session to make the necessary changes in the program, including transfer of oversight responsibilities from ISDA to the Idaho Department of Environmental Quality (DEQ). The new burning rules will now apply to producers statewide.

DEQ finalized changes to the Idaho State Implementation Plan (SIP) in early May and has submitted the new rules to EPA for approval under the federal Clean Air Act.

EPA-Region 10 published a "Proposed Rule" in the Federal Register on April 29 seeking approval of the revised Idaho SIP. Comment deadline is May 29. IGPA continues to closely monitor this final rule-making phase to ensure that the rules meet the terms of the earlier negotiated agreement and will be in place in time for fall burning.

2008 Idaho Barley Crop Outlook -

USDA/NASS projected Idaho barley acreage on March 31 at 550,000, down 4% from 2007.

% Planted	5/19/08	2007	5-year average
Statewide Ave	84%	92%	87%
North	91%	99%	90%
Southwest	100%	100%	100%
South-central	97%	100%	98%
East	76%	88%	83%

MARKET

BUZZ -

TVRR barley fractionation plant takes big step forward - Treasure Valley Renewable Resources, a farmer LLC based in Fruitland, ID, reports that its long-awaited financing package is now in place to begin construction of a unique barley and wheat fractionation plant that will separate the grain into various value-added components and produce 30 million gallon ethanol as a byproduct. Construction of the plant is scheduled to begin immediately in the Ontario, OR, area. **About 12-15 million bu of grain (8 million bu specialty barley) will be processed into beta-glucan fiber, protein for fish feed and starch for ethanol.**

Craft beer remains strong in domestic market -

Although the overall domestic beer market is mostly flat, the craft segment saw 12% growth in 2007 and now has nearly 4% share of the U.S. market. This is good news for Coors which produces Blue Moon beer which has seen rapid growth recently. It also is good news for Great Western Malting Co. which is seeing a jump in malt sales to craft brewers.

Policy Watch . . .

Farm Bill becomes law - Congress passed H.R. 2419 – the Food, Conservation and Energy Act of 2008 on May 15 with the necessary margins to overcome a certain presidential veto. President Bush did, in fact, veto the 5-year, \$285 billion farm bill on May 21. The Congress acted quickly to override Bush’s 10th veto of his presidency. The House overturned the veto that same day on a vote of 316-108 and the Senate followed suit yesterday on a vote of 82-13. The bill has now become law, with the exception of the trade title which was accidentally omitted from the version sent to the President and will be approved again by Congress after they return from their scheduled Memorial Day break.

Farm Bill Highlights include:

- 73.5% of spending is for nutrition (\$10.4 billion added to the original baseline).
- 16.1% of spending allocated for commodities, disaster aid and crop insurance.
- Adds a new optional state level revenue based countercyclical support payment beginning in 2009 in exchange for a 20% reduction in direct payments and 30% reduction in loan rates.
- Changes to payment limitations — Producers with a three-year adjusted gross income of more than \$750,000 in farm income will lose direct payments. Those with three-year AGI of more than \$500,000 in non-farm income will lose all program eligibility.
- Increases conservation funding by \$7.9 billion, but cuts CRP to 32 million acres.
- Direct payments will be cut by \$100 million in years 2009 through 2011 by reducing base acres covered from 85% to 83.3%.

National Barley Growers Association achieved its two primary objectives in the new farm bill:

1. Preserve direct payments.
2. Adjust loan rates and target prices to achieve greater equity in payment levels between program crops. For the first time ever, barley loan rates and target prices will be equivalent to other major feed grains.



“ While not perfect, this farm bill maintains a strong safety net for American farmers and increases funding for conservation, particularly for our working lands.”
Evan Hayes, IBC Chairman

Barley Loan Rate - increased from \$1.85/bu to \$1.95 in 2010-2012. Wheat loan rate is increased from \$2.75/bu to \$2.94.

Barley Target Price - increased from \$2.24/bu to \$2.63 in 2010-2012. Wheat target price increased from \$3.92/bu to \$4.17.

Attempt to attach guest farm worker reforms to war supplemental bill fails in the Senate -

A provision to reform the existing agricultural guest worker program was attached to the Senate’s emergency Iraq War supplemental spending bill in committee but was pulled out on the Senate floor this week. This new package known as the Emergency Farm Relief Act would have offered temporary legal status for the next five years for experienced farmworkers- capped at 1.35 million workers- who are needed to fill vital agricultural jobs. The bill also streamlined the current H-2A program. Idaho Senator Larry Craig helped craft this compromise plan and says he will continue the fight.

IBC Sets FY 2009 Research Priorities

	Approved in FY 2009	Funded in FY 2008	Funded in FY 2007
Education for Barley Production / Extension Nurseries	\$9,206	\$13,000	\$13,000
ARS Barley Breeder Nurseries	\$30,116	\$16,476	\$12,200
Oregon State University Barley Breeding	\$19,000	\$19,000	\$3,000
Herbicide Soil Persistence and Herbicide Resistant Weeds Prevention Expert System	\$3,051	\$3,051	\$26,436
Evaluate ESN Fertilizers in Dryland Malt	\$3,500		
Mealybug and root disease research	\$7,700	\$7,700	
North Idaho Cereal Agronomy Support Scientist	\$4,000		
High yield production systems (N. Idaho)	\$2,000		
Improvement of Hulless Barley			\$6,000
Increasing Malt Barley Yield with Nitrogen Management			\$4,500
Integrated Pest Management / Aphid Traps			\$3,000
Cereal Leaf Beetle		\$9,000	\$9,000
Cereal disease diagnostics in Magic Valley			\$4,000
Effect of Herbicide & Irrigation Timing on Wild Oat & Broadleaf Control			\$4,000
TOTAL:	\$78,573	\$68,227	\$85,136

Swan Falls water agreement upheld in Idaho

court - On April 18, the presiding judge of the Twin Falls court that has been sorting through the Snake River Basin water rights rejected a claim by Idaho Power that the historic 1984 Swan Falls Water Agreement was flawed and should be rescinded. This was a big victory for water users.

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Celebrating 20 Years of Service
to Idaho Barley Producers*