

ASA Press Conference at Commodity Classic  
Thursday, February 26, 12:30 p.m. Fort Worth 5-7

**PART 1—ASA FARM BILL SUCCESSES—**ASA President Johnny Dodson, a producer from Halls, Tennessee.

In preparation for the Farm Bill debate, ASA identified three top priorities. Those were to increase the soybean target price to make the soybean safety net more equitable to other program crops; authorize and fund a CCC biodiesel incentive program that pays on all gallons; and authorize a program to make payments to producers who plant soybean varieties that yield high-stability oils.

ASA really “defied the odds” in achieving these three and other top priorities, because the amount of baseline funding available for the 2008 Farm Bill was \$58 billion less than the 2002 Farm Bill overall.

ASA’s odds-defying accomplishments included increasing the soybean target price by 20 cents per bushel, despite the fact there was \$14 billion less spending available in the Commodities Title than the previous farm bill.

ASA obtained \$300 million in new funding for the Bioenergy Program that will pay on all gallons for biodiesel and other advanced biofuels. Funding for the Bioenergy Program represents about one-third of total Energy Title funding made available in the Farm Bill.

ASA also obtained authorization for the new Commodity Quality Incentive Program that will provide cost-share assistance to aid in more rapid commercialization of new soybean varieties with high stability oil profiles.

ASA’s work contributed to reauthorization and funding at \$1 million per year for the Biodiesel Education Program; \$1.1 billion in increased funding for the Conservation Stewardship Program; \$3.4 billion in increased funding for the Environmental Quality Incentive Program; and lowered the acreage cap in the Conservation Reserve Program to 32 million acres to allow additional non-environmentally sensitive land to return to production.

ASA led the charge in beating back the Administration’s persistent proposals to require the loss of beneficial interest when a producer claims a Loan Deficiency Payment (LDP) or marketing loan gain, and ASA also supported the Average Crop Revenue Election (ACRE) program that will give producers the option of participating in a revenue-based income safety net program versus the current price-based program.

**PART 2—OTHER ASA POLICY SUCCESSES—**ASA Chairman John Hoffman, a producer from Waterloo, Iowa.

Shortly before Congress recessed for the year, ASA’s achieved its second top policy priority for the year – extension of the biodiesel tax incentive. The \$1.00 tax incentive is critical

to supporting biodiesel production and use of soybean oil. The biodiesel tax incentive is estimated to have increased soybean prices by \$2.00 per bushel over what they otherwise would have been without this source of demand for soybean oil and this link to the fuel market.

Also in 2008, ASA celebrated years of work with final passage of the Water Resources Development Act (WRDA), which authorizes much-needed improvements to waterways that are vital to the transport of U.S. soybeans. More than 75 percent of U.S. soybean exports move to world ports through the Upper Mississippi and Illinois River systems. WRDA legislation authorizes funding for construction of seven new locks and other critical improvements on the Upper Mississippi and Illinois Rivers.

ASA successfully lobbied for passage of the Peru Free Trade agreement that provides increased market access for U.S. soybeans, soy products, and U.S. meat and poultry products. According to a Farm Bureau analysis, by the year 2025 U.S. soybean farmers will benefit from this trade agreement by increasing U.S. soybean imports to Peru by \$1.3 million; soybean meal by \$67 million and soybean oil by \$70 million.

With a full pipeline of new biotech soybean events making their way toward commercialization over the coming years, ASA formed a Biotech Working Group to provide a forum for growers to consult with biotechnology companies on their commercialization, domestic and international regulatory approvals status, and stewardship plans. Additionally, ASA conducted 11 advocacy missions to the European Union, regularly briefed more than 500 contacts, received positive media coverage on the consequences of the EU's slow approval system, and gained access to senior government officials.

ASA's work with biotech companies to make timely regulatory submissions and implement good stewardship practices, coupled with ASA's advocacy efforts to obtain timely overseas approvals, is resulting in the twin benefits of new soybean events being brought rapidly to the marketplace while safeguarding our exports.

Amid concerns that futures markets are becoming less effective in allowing farmers to manage risk, ASA formed a Market Performance Working Group last year to examine the issues affecting markets and to make recommendations on what might be done to improve the situation. While farmers certainly have welcomed higher prices for their crops, soybean and other farmers have increasingly become concerned about the growing lack of convergence between futures and cash prices, whether fund participation in markets and related volatility has resulted in a larger than normal basis, and the fact that many elevators have stopped offering bids for grain beyond 60 days.

ASA participated in an Agricultural Roundtable at the Commodity Futures Trading Commission in Washington, D.C., and provided written recommendations to CFTC following that Roundtable. ASA encouraged CFTC to take a number of steps that would improve futures market performance and allow traditional hedgers to have greater confidence in futures markets. These recommendations largely were adopted by the CFTC.

To educate growers about the roles of the ASA and the soybean checkoff, ASA launched a major campaign that explained the difference and encouraged soybean farmers to join ASA and their state soybean association. The campaign theme "If You Believe, Belong." emphasized that if soybean growers believe the work ASA does is important, they should become a member if they are not already. The campaign contributed to a 16.1% increase in new members, an 11.7% increase in the number of recruiters, and increased the member retention rate from 64% to 70%.

To provide ASA and State Soybean Affiliates with the tools they need to operate more efficiently, ASA researched and approved a new Association Management System (AMS) to replace ASA's current 13-year old membership database system. The new AMS system will provide ASA and states a web-based, real time system that integrates membership, communication, event planning, surveying, analytics, and more. The new AMS system will make it possible for us to better serve and interact with our members in ways that are both timely and relevant. In addition, the new system will provide time savings for national and state staff, and bring new capabilities that can help with membership growth and retention. ASA successfully negotiated the price of the selected system down by 26 percent over the price quotes given by the vendor.

Throughout the year, ASA implemented numerous leadership, development, and training programs for state and national leaders. During the year ASA conducted a comprehensive review of each of its leadership and training programs to ensure that they are complementary to each other and provide training on the skills needed by national and state leaders.

On February 3rd, ASA learned that USDA will continue to provide funding for the Asian Soybean Rust Pest Information Platform for Education and Extension. ASA has been working with USDA and Congress to secure federal funding for PIPE because the system helps protect the U.S. soybean crop and saves soybean producers millions of dollars annually.

USDA will be providing over \$750,000 in funding for the soybean rust sentinel plot and diagnostic network in FY09. These USDA funds will be leveraged with approximately \$500,000 in federal and state checkoff investments and available state funding to maintain a scaled-down soybean rust sentinel plot and diagnostic network. ASA's joint efforts with USDA in preparing for and now monitoring the advancement of soybean rust have been highly effective in protecting the U.S. soybean crop valued at more than \$30 billion, and saving soybean producers millions of dollars annually in unnecessary fungicide applications.

**PART 3—CURRENT POLICY EFFORTS—** ASA First Vice President Rob Joslin, a producer from Sidney, Ohio.

While ASA is pleased that USDA will provide PIPE funding in 2009, ASA is already working with Congress and USDA to secure increased funding as part of USDA's regular budget for FY10 and subsequent years.

ASA's top policy priority for 2009 is long-term enactment of the biodiesel tax credit before it expires on December 31, 2009. ASA is already pursuing legislation that will provide an extension of the biodiesel tax incentive beyond 2009.

ASA is also working with USDA to ensure implementation of the Farm Bill provides maximum benefits to U.S. soybean farmers.

Just recently, ASA learned that it was successful in getting USDA to use 2007 and 2008 Season Average Prices in determining the revenue guarantee for the ACRE Program. This will provide a revenue guarantee that is \$60 to \$70 per acre higher than if USDA had used 2006 and 2007 prices. This single ASA victory makes available to soybean farmers billions of additional dollars in revenue guarantees.

To increase export markets for soybeans, soybean meal and oil, and livestock products, ASA is strongly advocating renewal of Presidential Trade Promotion Authority, and Congressional passage of the Colombia, South Korea and Panama Free Trade Agreements as soon as possible.

To further advance the benefits of agricultural biotechnology and free trade, ASA is urging the Administration to address slow or non-functioning import approval systems in foreign countries that could negatively affect U.S. soy exports, including working toward improvements in approval systems in the European Union, China and South Korea.

These are only a few of the many farm and trade policy areas where ASA is actively working. As you can see, nothing has distracted ASA from the important farm and trade policy work it must do in the best interest of U.S. soybean farmers.

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