Legislature approves KSA’s focal effort for ’19

In a move motivated at least in part to sway Kansas lawmakers to approve Medicaid expansion during the 2019 legislative session, Gov. Laura Kelly allowed HB 2209 to become law without her signature April 19.

The measure began the session as SB 32 then became Senate Substitute for HB 2143. It grants Kansas Farm Bureau an exemption from Kansas Insurance Department jurisdiction for a partnership with a health care provider that could allow some farm families to realize significant savings on their health insurance.

The Kansas Soybean Association (KSA) aggressively worked since early in the process to support SB 32 and, ultimately, HB 2209. It lobbied members of the Senate insurance committee and the full Senate, presented written testimony in the House insurance committee, and sent multiple action alerts to KSA members.

Before the session’s first adjournment April 5, the House of Representatives passed HB 2209 on an 84–29 vote following Senate approval, 28–12, April 4. The veto-proof margins in both chambers provided the governor some cover from strong opposition to the bill from Democrat lawmakers.

On another front, the Senate doomed Kelly’s effort to achieve Medicaid expansion this year. Moderate House Republicans teamed with Democrats late in the session in an attempt to force Senate leadership’s hand on Medicaid by refusing to approve the budget.

Fearful of reprisal from Senate leadership, including budget cuts to higher education, the House coalition abandoned its holdout after Senate Majority Leader Jim Denning, Overland Park, promised a vote on an expansion package in January 2020.

Kelly successfully vetoed $500 million in tax relief for multinational corporations and wealthier individuals and another $250 million version of the same package. Legislators, however, did override her line-item veto of a $51 million payment to the Kansas Public Employees Retirement System.

The Legislature adjourned sine die May 29.

Kansas Farm Service Agency provides new program updates

Between the 2018 farm bill, which became law in December, and the recent announcement of an additional Market Facilitation Program (MFP), Kansas producers anxiously are awaiting more program details and enrollment information. Some Farm Service Agency (FSA) programs already are rolling out, like a Continuous Conservation Reserve Program enrollment that began June 3 and the new Dairy Margin Coverage program that began June 17.

Enhancements to the livestock disaster programs and increased farm-loan limits have been implemented. And the updated Marketing Assistance Loan program details have been announced, including an increased national soybean loan rate of $6.20 per bushel. Information about all programs can be found at http://www.farmers.gov/farmbill on the web. But the two programs with the most potential to affect producers – MFP and Agriculture Risk Coverage (ARC) versus Price Loss Coverage (PLC) – still are in the wings.

According to Kansas FSA State Executive Director David Schemm, the enrollment period for 2019 and 2020 ARC/PLC is not yet known. Initial news reports announced enrollment would begin in early September, but Schemm indicated that has not been finalized.

“Before an enrollment period can begin, policy and training must be provided to all our employees,” he said. “We are tentatively anticipating training in late summer and excited about providing information to producers as soon as we’re able.”

He also said Kansas FSA has partnered with K-State Research and Extension, and program support and producer informational meetings in late summer and early fall will be a combined effort.

The federal Agriculture Department announced May 23 that the U.S. Department of Agriculture (USDA) will take several actions to assist farmers in response to trade disruptions.

President Donald Trump directed Perdue to craft a relief strategy to support American agricultural producers while the administration continues to work on trade deals. Specifically, the president has authorized USDA to provide up to $16 billion in programs.

“China hasn’t played by the rules for a long time, and President Trump is standing up to them, sending the clear message that the United States will no longer tolerate their unfair trade practices, which include nontariff trade barriers and the theft of intellectual property,” Perdue said. “Our team at USDA reflected on what worked well and gathered feedback on last year’s program to make this one even stronger and more effective for farmers.”

A Market Facilitation Program for 2019, authorized under the Commodity Credit Corporation (CCC) Charter Act and administered by the Farm Service Agency, will provide...
The continuing saga of international trade, tariffs

Honestly, I wanted to write about something other than trade. It'd be nice if I could focus on farm-bill implementation or the Kansas Soybean Association’s (KSA’s) recent Statehouse activities. But the elephant in the room just can’t be ignored.

We all see it. So far this marketing year, which began Sept. 1, China has purchased less than 30% of the U.S. soybeans it typically has by this point.

While we maintain hope that the administration’s negotiations with China resolve all this sooner rather than later, we also understand China has been taking advantage of the U.S. for the last 10 years. An agreement must be achieved to balance our trade issues. KSA has been urging the administration and our congressional delegation to include soybean farmers in that solution.

It’s a tough balancing act. On one side is our biggest customer. On the other is our own government, which influences so much of our businesses and lives. We need both to hear, respect and work with us. We must wield our influence in each direction carefully. The repercussions will be long-lasting.

What’s more, not everyone in the U.S. Soy community agrees on the best approach. When you read or hear messages from KSA or the American Soybean Association (ASA) or wonder why you aren’t reading or hearing more from our organizations, remember the many competing influences. That’s what’s said publicly and, more often, privately includes many nuances.

Similarly, consider the Market Facilitation Program (MFP). I don’t know many farmers who relish government involvement in their enterprises. We prefer to operate in a free and fair market. Still, there are a lot of things that are beyond our control: the weather, input prices and markets, to name a few. When trade is disrupted and we don’t realize half our expected income, we still have to answer our creditors. The issue affects not only our farms but also our communities.

According to the Kansas Farm Management Association’s (KFMA’s) 2018 whole-farm analysis, the total of all government payments received by its members was nearly 55% of net farm income. That includes traditional farm-program payments, livestock payments, conservation payments and MFP payments.

MFP was put in place to help producers affected by the trade disruptions. Those payments comprised about 37% of the average farm’s net income, KFMA reported. The numbers vary widely across the state, largely based on crop types and yield levels. The percentage of income resulting from MFP ranges from about 25% in southwestern Kansas to about 52% in northeastern Kansas.

The program undoubtedly was a game-changer for many. Rest assured, our organizations expended more than a little political capital to get soybeans that $1.65 per bushel. Whether out front or behind the scenes, KSA and ASA are telling our stories and advocating for us. That continues as the Agriculture Department initiates more relief programs to back up our farmers while the administration works on trade deals.

Speaking of which, plus farm-bill implementation, don’t miss the Farm Service Agency update on page 1. The state office wrote that for this newsletter specifically at KSA’s request.

As we head into this summer’s meetings – including separate trips to Washington, D.C., with ASA and the National Biodiesel Board – you can bet we will continue to refine our messages and our strategies for delivering them. Please share your input and feedback with your KSA directors, especially as we prepare for our next meeting, July 20 in the Montgomery County area.

Kansas FSA

announced the second MFP in May. (See the sidebar that begins on page 1.) Schemm said he understands the issues producers have with not knowing more specific program details, such as county rates and eligible acreage, and is just as eager as producers to learn more.

He said Kansas FSA proactively is planning for MFP rollout and enrollment by contacting local partners to help disseminate information, scheduling producer informational meetings and getting through as much workload as possible in county offices now.

Producers can follow http://www.farmers.gov on the web and FarmersGov on Twitter and Facebook for more information. Or contact Kansas FSA at 785-539-3531 or the local FSA office.
Corporate partners and advertisers are extremely important to the overall effort of the Kansas Soybean Association. They provide the Association with financial support and are links to the allied industries that provide soybean farmers with inputs and capital to manage our enterprises. KSA also relies on corporate partners to keep us up-to-date with the latest breakthroughs in production technologies, and we all work together to create and implement environmental and trade policies that benefit the soybean industry.

Thank you, corporate partners

Ag Partners Cooperative • AgriGold • GN Bank • MWI LLC
My first meeting on the Kansas Soybean Association (KSA) Board of Directors was in March 2017. I took over Bill Niemann’s position as the Atchison County representative. (We get an individual seat because we have at least 25 KSA members.) I became the second vice president earlier this year.

Growing up on my family’s farm, I have been involved in agriculture my entire life. Both sides of my family were farmers, so that is what I was most exposed to growing up.

I worked in animal agriculture for a number of years. After some time at Grant County Feeders in Ulysses, I went to work for ABS (formerly American Breeders Service) in Fort Collins, Colorado. Then, in the late ’90s, there was an opportunity to come back to my family’s farm. I was given a chance to rent some ground, and that helped me get started.

While agriculture has been my main focus in life, I have gotten to do some other ventures. While living in Colorado, I had the opportunity to build storage units. That was quite a learning experience and broadened my horizon beyond agriculture. I enjoyed that and continue to operate the business today. I liked living in Colorado, and it is a good excuse for me to head west sometimes.

Over the years, I have been involved in a number of organizations. Currently, I’m vice president of our county Farm Bureau. We attend Zion Lutheran Church, where I am an elder in the congregation. I also was in Class 4 of the Kansas Agriculture and Rural Leadership program. Looking back, that was a good experience for me to learn and to meet and network with other professionals in agriculture.

When I joined the KSA Board, I looked at the opportunity as twofold. First, it was a chance for me to meet and expand my network of agriculture professionals, which could help me be a better voice for not only Kansas soybean farmers but also for agricultural producers in general. Second, life is a continuous learning process, and I thought KSA could broaden my horizons and expand my knowledge.

I have not been disappointed in either regard.

Always look for opportunity

Move to Kansas City will put ERS, NIFA closer to customers

Secretary of Agriculture Sonny Perdue announced June 13 that the U.S. Department of Agriculture (USDA) will relocate its Economic Research Service (ERS) and National Institute of Food and Agriculture (NIFA) to the Kansas City region.

A rigorous site-selection process found the Kansas City region would maximize the agencies’ functions by putting taxpayer savings into programmatic outputs and providing affordability, easy commutes and extraordinary living for employees, Perdue said, noting there already is a significant presence of USDA and other federal employees there.

“This agriculture talent pool, in addition to multiple land-grant and research universities within driving distance, provides access to a stable labor force for the future,” he said. “The Kansas City region will allow ERS and NIFA to increase efficiencies and effectiveness and bring important resources and manpower closer to all of our customers.”

USDA conducted a cost–benefit analysis that conservatively estimated a savings of nearly $300 million on employment costs and rent over a 15-year lease term, allowing more funds for researching critical needs like rural prosperity and agricultural competitiveness and for programs and employees to be retained in the long run. State and local governments also offered generous relocation incentives totaling more than $26 million.

“We did not undertake these relocations lightly, and we are doing it to enhance long-term sustainability and success of these agencies,” Perdue said. “We are increasing the probability of attracting highly qualified staff with training and interests in agriculture.”

The Agricultural Business Council of Kansas City and the Kansas City Area Development Council compiled a list of 26 individuals who were available for USDA’s inquiry into the region. Kansas Soybean Association CEO Kenlon Johannes was on the list.

ELA Class 6 forming now

The Kansas Soybean Association (KSA) and Kansas Soybean Commission (KSC) are accepting nominations and applications for their Emerging Leaders Academy (ELA). It is a three-part training program that works to instill a select number of agriculture professionals in Kansas with leadership skills and provide successful mentoring opportunities.

ELA’s three phases are scheduled to be completed over the course of 18 months. Each teaches participants different subject matter and provides unique opportunities.

Phase 1, November. Kansas Soybean Building in Topeka. Topics will include the history of Kansas Soybean, the growth and development of soybean as a crop and product, and opportunities to be involved in the soybean industry. Participants also will attend a KSA Board of Directors meeting.

Phase 2, February 2020 (tentative). Statewide tour of Kansas. After some personalized leadership training, participants will experience all things agriculture, including research, transportation, processing, products, equipment, education, livestock, food and consumer issues, and public policy.

Phase 3, ‘20–’21 dates to be determined. Mentoring and professional development. Each participant will choose an organization about which she or he would like to learn more and accompany a current farmer-leader to one of its events. The goal will be to gain more in-depth experience and insight into industry involvement.

Interest forms must be submitted by Sept. 30. The sooner KSA receives a nomination or application, however, the greater the chance of that person’s being selected for the next class. More information can be found at http://KansasSoybeans.org/ela on the web.
From promoting the profitability of using high-quality soybean meal in India to training animal producers on nutrition in Colombia, the soy checkoff is working behind the scenes to develop more market opportunities for U.S. soy. We’re looking inside the bean, beyond the bushel and around the world to keep preference for U.S. soy strong. And it’s helping make a valuable impact for soybean farmers like you.

See more ways the soy checkoff is maximizing profit opportunities for soybean farmers at unitedsoybean.org
Young Leaders applications available

Since 1984, the Young Leader program has identified and developed farmer-leaders who continue to shape the future of agriculture. It provides industry-leading training that develops participants’ leadership potential while fostering collaboration among farmers throughout the United States and Canada.

The Kansas Soybean Association (KSA), American Soybean Association (ASA) and Corteva Agriscience currently are seeking applicants for the 2019–2020 class.

Young Leaders benefit from a challenging, educational two-part training. Phase 1 takes place at Corteva’s Global Business Center in Indianapolis, Indiana, Dec. 3–6. Phase 2 is Feb. 25–29, 2020, in San Antonio, Texas, in conjunction with the Commodity Classic convention and trade show.

“This program develops us to be spokespersons for the industry so others can understand our way of life,” said Jared Nash, Parsons, who completed the program last year with his wife, Kimy. “We also met other people we can call to get more information about what’s going on in their states or regions.”

Kim Kohls, Moundridge, and her husband, Kevin, also were members of the 2018 class.

“We learned how to enhance our abilities to convey messages and to interact with people during the program,” she said. “The leadership training and industry involvement that results will help ensure the U.S. ag economy is strong for future generations.”

KSA encourages applications from individual farmers and farm couples who want to learn about leadership, communication and ag information and develop a strong peer network. It will work with ASA and Corteva to decide who will represent Kansas in the program then have a seat on the KSA Board of Directors for the next three years.

The application deadline for Kansans is Sept. 13. More program information and the application are available via http://KansasSoybeans.org/young-leaders on the web.

Processor aids flood relief

A g Processing Inc. (AGP), a major U.S. soybean processor and refiner, announced April 15 that it would aid the flood-recovery efforts in affected parts of Nebraska, Iowa and Missouri. The aid consists of $100,000 split equally among four relief organizations in the region: the American Red Cross of Nebraska and Southwest Iowa; the Salvation Army of Omaha, Nebraska; the United Way of the Midlands; and the Fremont Area United Way of Fremont, Nebraska.

“The flood damage to farms and communities in this region negatively affected many people,” said AGP CEO Keith Spackler. “We are encouraged by the care and assistance of countless volunteers and organizations who have provided relief to the people and communities who need it the most. AGP’s contribution supports these recovery efforts.”

Local and regional farmer cooperatives own AGP, and its headquarters are in Omaha.

IoT enables smarter applications

We are hearing and reading about terms like agritech and smart ag more regularly. Agritech is a general term for the use of technology in agriculture. Smart ag specifically refers to internet-enabled devices (the so-called Internet of Things or IoT) that use high-speed broadband connections to relay data.

IoT devices have changed farming. The ability to deploy sensors throughout a field to automate monitoring that previously had been done manually saves considerable time. It also allows for smarter applications of fertilizer and pesticides. If a sensor shows that only a portion of the field needs additional treatment, farmers can target that area. That is a highly effective way to optimize crop yields.

Those devices are a tremendous asset, but farmers need the ability to connect to a high-speed network with sufficient capacity to handle the data they generate before investing in smart ag. As we all probably have experienced, high-speed broadband coverage in rural Kansas is not consistent.

Technology is the future of farming, but we must have the infrastructure in place to support IoT devices. Private businesses and cooperatives should collaborate with state and local governments to bring quality, affordable high-speed broadband to rural areas.

The 2019 Soybean Leadership College was Jan. 7–8 in Saint Charles, Missouri. The conference trained more than 100 agricultural leaders to promote the soybean industry effectively, communicate key messages, and work to expand U.S. soybean marketing opportunities domestically and internationally while networking with farmers from across the nation.

Kansas State University students (from left) Nathan Ryan, Allison Aubert, Michaela Falk, Madison Tunnell, Daphne Lofing, Ben Bellar and Dylan Wolta represent Kansas at SLC. (ASA photo)

The program included sessions like “Using Your Finances to Create a Competitive Advantage,” “The Beltway Impact” and “Grower-Leaders Answer Your Questions.” It also featured keynotes from Steve Cortes, a CNN contributor, and Jack McCall, a motivational humorist and writer.

This year’s main sponsors were BASF, Farm Credit, FMC Corp., Renewable Energy Group and the United Soybean Board. The Kansas Soybean Commission was among 15 state soybean organizations that provided additional support.
HERE’S HOW THE SOY CHECKOFF WORKS. The national soy checkoff was created as part of the 1990 Farm Bill. The Act & Order that created the soy checkoff requires that all soybean farmers pay into the soy checkoff at the first point of purchase. These funds are then used for promotion, research and education at both the state and national level.

1/2 of 1% of the total selling price collected per the national soybean act & order

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Half goes to the state checkoff for investment in areas that are a priority for that state.

Half goes to the national checkoff for investment in USB’s® long-range strategic plan.

ROI TO THE FARMER

Led by 73 volunteer soybean farmers, the United Soybean Board (USB) invests and leverages soy checkoff dollars to MAXIMIZE PROFIT OPPORTUNITIES for all U.S. soybean farmers.
Directors complete spring chores

What follows are the highlights from the Kansas Soybean Association (KSA) Board of Directors meeting convened March 22 in Topeka.

◆ Telephoned the American Soybean Association’s (ASA's) Washington, D.C., office for updates about national policy developments.
◆ Reviewed the attendee surveys from Kansas Soybean Expo 2019.
◆ Heard reports from Gary Reser, KSA's contract lobbyist, about this year’s Statehouse activities.
◆ Discussed leadership programs, including the Emerging Leaders Academy, ASA's Young Leaders program and Leadership At Its Best.
◆ Modified then accepted the fiscal year 2020 budget.
◆ Affirmed the Association's accounting procedures and controls.
◆ Revised then approved the corporate partnership plan.
◆ Designated the Tulsa Port of Catoosa in Oklahoma as the focal point of the summer agribusiness tour.
◆ Expressed concern for those affected by the flooding.
◆ Authorized the executive committee to appoint a CEO-selection committee and to develop an official position description in preparation for Kenlon Johannes’ announced retirement in 2021.

Association members can contact any director or Johannes in the office (see page 2) to suggest agenda items for the next Board meeting, July 20 in Independence.

Biodiesel industry discusses tax incentive, RFS on Capitol Hill

More than 70 National Biodiesel Board (NBB) members fanned out across the nation’s capital June 11 to discuss the biodiesel tax incentive and the Renewable Fuel Standard (RFS). The meetings were part of NBB’s summer meeting and Washington, D.C., fly-in.

“The industry supports more than 60,000 jobs across multiple economic sectors. Gathering in Washington each year is important to our members so that they can meet as constituents with their representatives and senators,” said Kurt Kovarik, NBB’s vice president of federal affairs. “We hosted a record 130 meetings this year to discuss the uncertainty our industry’s companies and workers, along with farmers, are facing due to the biodiesel tax incentive’s lapse and the negative impact of small-refinery exemptions on the RFS.”

Despite its recent growth, the biodiesel sector still is an emerging part of the broader biofuels industry and is vulnerable to changes in public policies and market conditions. Failure to extend incentives for biodiesel and renewable diesel jeopardizes their environmental and public-health benefits, as well as the industry’s future.

Qualified biodiesel producers and blenders have been eligible for an income-tax credit of $1 per gallon of pure biodiesel or renewable diesel produced or used in the blending process. Congress could ensure the biodiesel sector’s vitality by extending the tax incentive for 2018 and 2019.

The sector also has been affected by the Environmental Protection Agency’s increase in small-refinery exemptions (SREs) under the RFS. They exempt oil refineries from blending renewable fuels as the RFS requires. Over the last three years, SREs have resulted in $7.7 billion of “demand destruction” for biodiesel and renewable diesel.

Dennis Gruenbacher, Andale, who represents the Kansas Soybean Commission on NBB, and Suzanne, his wife, join interns Natalie Harris, Chapman, and Allison Railsback, Mankato, and CEO Kenlon Johannes at the board’s summer meeting. While in D.C., they met with (from top) Rep. Roger Marshall; Rep. Steve Watkins; Rep. Sharice Davids; Rep. Ron Estes; and Sen. Pat Roberts’ staff. (KSA photos)
Farmers from 12 states graduated from the American Soybean Association’s (ASA’s) 2018–2019 Leadership At Its Best (LAIB) program March 21 in Washington, D.C. Sponsored by Syngenta, LAIB develops leadership, communication and advocacy skills in farmers who already hold positions in their state soybean associations. A select group of farmer-leaders participated in the program’s first part last summer in Raleigh, North Carolina.

Including Brett Niebling, Highland, those participants attended sessions where they learned more about agriculture’s important issues and topics, such as trade, gene editing and farm-bill implementation. They also trained in how to become stronger advocates about issues important to soybean farmers. The program concluded with a day of Capitol Hill visits.

The program also welcomed farmer-leaders from eight state associations in February. Under a new format, those participants got to interact with leaders from other agricultural organizations. They received training in several areas, including agricultural issues, communications, media relations, and effective advocacy in Washington, D.C., and through social media.

They started their week in Raleigh, where they heard presentations from several Syngenta staff members and toured the company’s crop laboratory. Midway through, they traveled to Washington, where they developed personal advocacy plans, received more issues training and learned how to be effective on Capitol Hill. They then visited with their states’ lawmakers.

Jared Nash, Parsons, participated in the February session.

“Growers from across the country are learning from one another while also enhancing their advocacy skills,” said Andrew Lauver, industry-affairs manager for Syngenta. “Each organization represents an integral piece of the fabric that makes up rural America, and Leadership At Its Best continues to strengthen that voice.”

GROWING KANSAS SOYBEAN-CROP VALUE FROM $240 MILLION TO $1.7 Billion

The Kansas Soybean Commission looks beyond the elevator to identify issues that affect Kansas soybean farmers’ profitability. Simply put, a #Cropportunity is your checkoff dollars at work — new revenue streams created, existing markets expanded or revived in new, exciting ways that open up demand and drive sales.

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— $5 billion of economic impact for Kansas in 2017
— $403 million in Kansas exports in 2017
— From 1.9 million acres and $5.55 per bushel to 5.1 million acres and $8.95 per bushel (1991 to 2017)
— 17.2 million bushels of soybeans used by Kansas animal agriculture in 2015
— 63¢ more per bushel due to biodiesel

1 Kansas Department of Agriculture (farming & processing) • 2 U.S. Census Bureau • 3 National Agricultural Statistics Service • 4 United Soybean Board • 5 National Biodiesel Board
Calendar of industry events

July 15–18  United Soybean Board meeting, Fargo, ND
July 18–20  Kansas Soybean leaders’ agribusiness tour & Association Board of Directors meeting, Independence area
July 19–22  Aqua Production Conference, Dubai, United Arab Emirates
July 23–25  American Soybean Association Board of Directors meeting, Washington, DC
July 25–26  World Initiative for Soy in Human Health meeting, Washington, DC
July 30–Aug. 3  National Association of FSA County Office Employees meeting, Manhattan
Aug. 4–7  Soy Aquaculture Alliance meeting, Moscow, ID
Aug. 5  Soy Transportation Coalition meeting, Chicago, IL
Aug. 6–8  American Soybean Association Action Partnership meeting, Louisville, KY
Aug. 7–9  North Central Soybean Research Program meeting, Wooster, OH
Aug. 8  Data-Driven Agriculture Summit, Minneapolis, MN
Aug. 12  No-Till on the Plains board of directors meeting, Salina
Aug. 20–21  Kansas Cooperative Council Leadership Roundtable, Manhattan
Aug. 20–22  U.S. Soy Global Trade Exchange & Specialty Grains Conference, Chicago, IL
Aug. 22–23  Risk & Profit Conference, Manhattan
Aug. 26  Kansas Soybean Commission meeting, Topeka
Aug. 26–Sept. 10  Farm-bill meetings, statewide (see http://AgManager.info on the web)
Aug. 29  Kansas Governor’s Summit on Agricultural Growth, Manhattan

See more at http://KansasSoybeans.org/events

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