FARM BILL COULD COME IN 2011

Last fall, we surveyed members on what they wanted to see in the upcoming Farm Bill. We then posted the results on our website and set goals for Illinois Corn. Based on your feedback, our number one goal for Farm Bill is to maintain a crop insurance and work to improve a revenue-based safety net to compliment crop insurance.

Current status: As government programs continue to see cuts, it is becoming increasingly probable that the Farm Bill will be written in 2011.

The upcoming Farm Bill will likely face different debates in each chamber of Congress. In the House, we expect the debate will be based upon whether the safety net should be revenue based or commodity price based.

The Senate, however, will likely debate whether or not there should be two safety nets, like the Supplemental Revenue Assistance

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CORN FARMERS BACK IN WASHINGTON

The Illinois Corn Growers Association returned to Washington, DC the week of July 11th, visiting 46 congressional offices, federal agencies, associations, and non-governmental organizations.

The farmers split into seven teams, including: Farm Bill, world hunger, livestock, water quality, free trade agreements, ethanol and waterway infrastructure.

One important visit made by ICGA was to Secretary LaHood with the US Department of Transportation. During the meeting, farmers urged the US DOT to reconsider the Motor Carrier Safety Assistance Program, specifically the new distinction of “for-hire carriers,” which would affect a majority of Illinois farmers. Illinois Corn is encouraging farmers

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Political Action Committee 101

The Illinois Corn Political Action Committee, established in 2002, has reached a crossroads. Do we continue along our current path where our PAC funding gains us recognition with key members of Congress or do we step up our efforts and become an even bigger player in the game? It's the one million dollar question.

The Illinois Corn Growers Association sought to answer that question by requesting a PAC Audit. Working with an Ohio-based firm that is well connected in Washington, DC, we have recently reviewed all of our PAC fundraising opportunities, contributions, and correspondence. Recommendations on improvements for the IL Corn PAC will be reviewed in the coming months.

In the meantime, what do you think of the IL Corn PAC? Do you believe IL Corn should become more relevant in today's legislative climate or are you happy with our current engagement?

Email your thoughts, questions and concerns to lmitchell@ilcorn.org for the Illinois Corn PAC Committee's consideration.

FARM BILL COULD COME IN 2011 (cont.)

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(SURE) program and the Counter Cyclical payments or Average Crop Revenue Election (ACRE) program. Illinois Corn will continue to work to ensure that amidst government cuts, crop insurance and a revenue-based safety net are priorities in the Farm Bill.

Your Feedback:

- ~70% of you thought direct payments should be eliminated and used to enhance farm programs & crop insurance.
- ~84% of you said federal crop insurance needs to be improved.
- ~63% of you said crop insurance is the most important government supported “safety net.”
- ~75% of you said you would trade all existing “safety net” farm programs for a crop insurance program that better protected your expected crop and a new program that covered year to year variability.
- ~88% of you said you feel cuts should be made on ag spending, as long as the cuts are equitable and broadly made across the entire federal budget, in order to reduce the federal deficit.

Visit www.ilcorn.org/farm-policy/1-farm-bill-2012/ to read more of our member survey data!
CFC EDUCATES WASHINGTON D.C.

In three years of existence, the Corn Farmers Coalition has developed a very visible presence in our nation’s capital. Policymakers are continuing to learn more about U.S. family farmers who produce corn and misconceptions are changing.

Currently, corn farmers from 14 states, including Illinois, along with NCGA support the Corn Farmers Coalition program, as it introduces a foundation of facts essential to decision making. We believe it is important for policymakers to understand that family farmers are hard working members of Middle America with strong family values.

CFC launched its major advertising campaign June 1st, which placed prominent family farmer facts in Capitol Hill publications, radio, frequently used websites, the Metro and Reagan National Airport.

The advertising impressed Illinois Corn Farmers during their July trip to DC, finding ads while reading the Washington Post, Politco, riding the train and traveling at the Airport. Those who visited Capitol Hill even mentioned that the CFC has generated enough of a buzz for congressmen to ask about it.

As the Corn Farmers Coalition continues to be a success, Illinois Corn will continue to support the program.

CONCLUSION OF SPRING IL LEGISLATIVE SESSION

The Illinois Spring Legislative Session concluded shortly after midnight on June 1 when the Illinois Senate adjourned, about an hour after the Illinois House had concluded its work. The legislature left a little unfinished business on its calendar in dealing with the 2012 fiscal year budget, but all in all, most people would rate this a good session in terms of accomplishments.

**EPA Permit Streamlining and Fees:** The business community benefited by legislation to streamline the Illinois Environmental Protection Agency permitting process, along with an agreement to raise fees for the agency to operate its programs. The IEPA funding structure is fully funded through its fee and other revenue, and does not receive general revenue funds for its operations. The compromise legislation raises fees about 19%.

**HB 1979 E 15 Tax Incentive:** This important legislation was held up in the House. Illinois House Democratic Leadership had proposed legislation that would have created sunset dates on existing sales tax exemptions related to agricultural and business. Because of agricultural group opposition, leadership held up several other initiatives, including HB 1979, to put pressure on those groups opposing the sunset legislation they had proposed. In other words, HB 1979 became a “political hostage”. Work is currently underway to develop alternatives to move forward in the coming months.

**State Budget:** The Illinois House and Senate developed their own budgets this year based upon an established expected revenue number. The Senate number was approximately $1 billion less than Governor Quinn’s proposed budget, while the House number was $2 Billion less, at a final number of $33.2 Billion of anticipated state revenue for all purposes, including the required state payments to the 5 pension systems. In the end, the House won the budget battle, with their proposed budget receiving final approval in the Senate, with a twist. The twist was that the Senate placed an amendment on the State Capital improvements legislation to add an additional $430 million for various parts of the operations budget. All in all, a good effort by the legislature in hard times to work through a difficult process of cutting programs when money is not available.

Most people would rate this a good session in terms of accomplishments—especially considering there is no money available.
Illinois Corn continued to strengthen and develop relationships with a variety of agencies, associations and offices and looks forward to continue building on these in the future.

Illinois Corn also visited several Embassies to discuss trade relationships, livestock groups who continue to raise concerns about ethanol and corn prices, and motor vehicle companies creating Flex Fuel Vehicles.

Lastly, farmers visited 18 congressional offices to discuss priority issues including: crop insurance, free trade agreements, ethanol infrastructure and EPA regulations.